FOREIGN BROADCAST INFORMATION SERVICE

Daily Report

Central Eurasia

FBIS-SOV-94-194
Thursday
6 October 1994

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

NOTICE TO READERS:

Due to customer demand, FBIS plans to begin publishing statistical material from Russia and other independent states of the former Soviet Union in the FBIS Daily Report: Central Eurasia (FBIS-SOV series) as a weekly Supplement titled "Economic Review." Statistical material now appearing in the FBIS Report: Central Eurasia (FBIS-USR series), which has a smaller circulation, will temporarily be double-published in both reports through 28 September. Economic material which refers to policy issues rather than statistics will continue to be published in the FBIS-USR series, pending further review.

New customers should subscribe to the FBIS Daily Report: Central Eurasia (FBIS-SOV series) to obtain the weekly Central Eurasia Economic Review in the future. Currently Daily Report customers will receive this Supplement automatically.

Daily Report
Central Eurasia

FBIS-SOV-94-194 *6 October 1994*

CONTENTS

NOTICE TO READERS: Effective 1 October, the processing indicators appearing in brackets at the start of each item in this publication will be changed. All new indicators will begin with "FBIS" to make the material more easily identifiable. Some will also indicate whether the item has been translated from the vernacular or transcribed from English.

INTERREGIONAL AFFAIRS

Yeltsin Receives CIS Executive Secretary *[ITAR-TASS]* 1
Shakhray Cautions Against Integration Haste *[ROSSIYSKAYA GAZETA 1 Oct]* 1
ITAR-TASS Carries Press Review for 6 Oct 4

RUSSIA INTERNATIONAL AFFAIRS

Yeltsin, Clinton on Relations, Conflicts *[ITAR-TASS]* 6
Government Statement Condemns Azerbaijan Events *[ITAR-TASS]* 6
Kozyrev Meets UN's Butrus-Ghali in New York *[Radio Rossii]* 6
Praises UN General Assembly's Work *[ITAR-TASS]* 6
Kozyrev Interviewed on Foreign Policy Issues *[Moscow TV]* 7
Kozyrev on Relations With European Union *[ITAR-TASS]* 8
Shokhin Signs Debt Repayment Agreement *[ITAR-TASS]* 8
Shokhin Views Effects of IMF Decision *[ITAR-TASS]* 8
Shokhin Says IMF Policy 'Salutary' *[ITAR-TASS]* 9
Shokhin on London Club Debt Rescheduling Deal *[INTERFAX]* 10
Foreign Trade Ministry Urges Export Continuation *[KOMMERSANT-DAILY 5 Oct]* 10
Defense Ministry, FCS Deny Corruption, Arms Sales *[KRASNAYA ZVEZDA 5 Oct]* 11
U.S. 'Letting Yeltsin Down' in Arms Decision *[KOMMERSANT-DAILY 5 Oct]* 11
End of U.S. Sanctions Threatens Space Ties *[IZVESTIYA 6 Oct]* 12
U.S. Competitiveness, Desire for Arms Viewed *[Moscow International]* 12
Air Traffic With FRY Resumes *[ITAR-TASS]* 13
Kozyrev Details Moscow Stance on Bosnia Aid *[MOSKOVSKIYE NOVOSTI 2-9 Oct]* 13
Bosnia Shows Clinton Mastering 'Art of the Possible' *[KOMSOMOLSKAYA PRAVDA 5 Oct]* 13
Border Guards Sink Japanese Fishing Vessel *[ITAR-TASS]* 14
Foreign Ministry Sends Protest *[ITAR-TASS]* 14
Zhirinovskiy Departs North Korea *[ITAR-TASS]* 15
Venezuelan Energy Minister Visits Russia *[ROSSIYSKIYE VESTI 5 Oct]* 15

RUSSIA NATIONAL AFFAIRS

Political Issues

Yeltsin Sends Message to Parliament *[INTERFAX]* 16
Deputy Urges Commission To Probe Yeltsin's Health *[ITAR-TASS]* 16
Zhirinovskiy Predicts Leadership Change *[ITAR-TASS]* 16
Filatov Views Social Accord Treaty *[ROSSIYSKIYE VESTI 5 Oct]* 17
Edict on Consolidating Executive Power *[ROSSIYSKIYE VESTI 5 Oct]* 18
Edict on ROSSIYSKIYE VESTI Cofoundership *[ROSSIYSKAYA GAZETA 5 Oct]* 19
Presidential Staff Takes Over *[ROSSIYSKAYA GAZETA 4 Oct]* 19

Economic Issues

Government Statement on Foreign Debts *[ROSSIYSKAYA GAZETA 1 Oct]* 20
Finance Minister Sees Positive Developments *[KOMSOMOLSKAYA PRAVDA 27 Sep]* 21
Edict Revises Duties on Debt, Property Suits *[ROSSIYSKAYA GAZETA 1 Oct]* 22
Poor Grain Harvest Predicted *[ITAR-TASS]* 23

Military, Nuclear & Space Issues

Yeltsin Edict on Oct-Dec Military Draft *[ROSSIYSKAYA GAZETA 5 Oct]* 23
Cash Shortage Impacts on Missile Launch Site *[KRASNAYA ZVEZDA 4 Oct]* 24
Air Force General Details Tasks of Airborne Troops *[ITAR-TASS]* 24
Future of Ground Attack Aircraft Threatened *[KRASNAYA ZVEZDA 4 Oct]* 24
Kalinin AES Power Unit on Line After Malfunction *[ITAR-TASS]* 26
Soyuz TM-20 Docks With Mir Station *[ITAR-TASS]* 26
Further on Soyuz-Mir Docking *[Moscow Radio]* 26

Federal Assembly

Assembly Session Opens, Yeltsin Message Cited *[SELSKAYA ZHIZN 6 Oct]* 26
Federation Council Rescinds Yeltsin Edict *[ITAR-TASS]* 27
Council Refuses To Extend Ossetia-Ingush Emergency *[ITAR-TASS]* 27
Rybkin Does Not Exclude No-Confidence Vote *[SEGODNYA 6 Oct]* 27
Federation Council's Viktorov Interviewed *[ROSSIYSKIYE VESTI 5 Oct]* 28

Regional Affairs

Chechnya Warns of Yeltsin Assassination Attempt *[INTERFAX]* 29
Maritime Elections Cancelled After Yeltsin Call *[Moscow TV]* 29
Opposition Reportedly Controls Entire No. Chechnya *[ITAR-TASS]* 29
Dudayev Regime Reportedly Acquires Stinger Missiles *[INTERFAX]* 30
Dudayev Spokesman Denies Bridge Blown Up *[INTERFAX]* 30
Dudayev Accuses Russians of Atrocities *[ITAR-TASS]* 30
FCS Denies Dudayev Claim *[ITAR-TASS]* 30
Opposition Says Dudayev Influence Limited to Groznyy *[ITAR-TASS]* 31
Ground-Attack Procedures Rehearsed in N. Caucasus *[KRASNAYA ZVEZDA 5 Oct]* 31
Edict on Ossetia-Ingushetia State of Emergency *[ROSSIYSKAYA GAZETA 5 Oct]* 31
Ingush President Opposes Emergency Extension *[INTERFAX]* 33
Grachev Gets Stalled Camp Construction Moving Again *[ROSSIYSKAYA GAZETA 5 Oct]* 33

UKRAINE

International Affairs

Inspection Agreement Signed With IAEA *[Radio Rossii]* 34
Foreign Minister Meets With EU Counterparts *[Kiev International]* 34
Foreign Minister on Yeltsin UN Speech *[UNIAN]* 34
Mityukov Addresses IMF, World Bank Annual Meeting *[UNIAN]* 34
Kuchma Urges Support of Nonproliferation Treaty *[ITAR-TASS]* 35
Germany's Kohl Promises Economic Support *[Kiev International]* 35

National Affairs

Meshkov on Resolution of Crimean Crisis *[INTERFAX]* 35
Aide Accuses Parliament of 'Inadequate Competence' *[ITAR-TASS]* 36
Crimean Parliament Strips President of Powers *[ITAR-TASS]* 36
More on Parliament Action *[INTERFAX]* 36
Crimean President Accuses Parliament of Staging Coup *[Kiev International]* 36
Kuchma's Son-in-law Considered for Premier *[ITAR-TASS]* 37
Ukraine Agrees To Close Down Chernobyl AES *[Radio Rossii]* 37
Liberal Party of Ukraine President Resigns *[UNIAN]* 37

CENTRAL ASIA

Kazakhstan

Foreign Minister in Talks at UN Session *[Almaty Radio]* 38
Meets Counterparts in New York *[Almaty Radio]* 38

CSCE Inspection Group in Semipalatinsk *[KRASNAYA ZVEZDA 5 Oct]* 38
Large Drop in Trade With PRC *[PANORAMA 1 Oct]* 38
Government Collects 20 Percent of Grain Order *[PANORAMA 1 Oct]* 39

Kyrgyzstan

Deputy Premier Receives World Bank Officials *[Bishkek Radio]* 39
Foreigners Trying To 'Plunder' Mineral Wealth *[BIZNESMEN No. 5]* 39

Tajikistan

Officer Killed; 'Decisive Measures' Planned *[ITAR-TASS]* 41
Opposition To Boycott Presidential Elections *[ITAR-TASS]* 41

CAUCASUS

Armenia

Foreign Minister Comments on Azerbaijan *[AFP]* 43
Spokesman Cites Interest in Azeri Stability *[ITAR-TASS]* 43
Azerbaijanis Restart Military Operations *[ARAGIL ELECTRONIC NEWS BULLETIN]* 43
Papazyan Signs NATO Partnership Agreement *[ITAR-TASS]* 43
Trespassers Try To Cross Border From Turkey *[ARAGIL ELECTRONIC NEWS BULLETIN]* ... 44
Opposition Parties Begin 'Joint Initiative' *[ITAR-TASS]* 44

Azerbaijan

Aliyev Addresses Rally 4 Oct *[Baku TV]* 44
Aliyev Appeals for International Support *[Baku International]* 46
Aliyev Assesses Blame in 5 Oct Speech *[Baku TV]* 46
President Aliyev Dismisses Prime Minister Guseynov *[AFP]* 49
Guseynov Denies Charges *[TURAN]* 49
Spokesman Says Guseynov 'Finished' *[AFP]* 49
Dzhavadov Trying 'To Help Aliyev Work Normally' *[KOMSOMOLSKAYA PRAVDA 5 Oct]* 50
Aliyev Accepts Dzhavadov Terms for Peace *[TURAN]* 51
Aliyev Talks With OMON Commander *[INTERFAX]* 51
Dzhavadov To Resolve Problems 'Through Legal Means' *[Tehran IRNA]* 51
Aliyev Receives Letters of Support *[Baku International]* 52
Trade Unions Decry 'Terrorist Acts' *[GUNAY 5 Oct]* 52
Parties' Statement on Leaders' 'Wrong Policy' *[TURAN]* 52
Armed Men Attempting To 'Seize Power' in Yevlakh *[TURAN]* 52
Foreign Minister Receives Iranian, Greek Envoys *[Baku TV]* 52

Georgia

Shevardnadze Annuls Western Emergency Committee *[Tbilisi Radio]* 53
Shevardnadze Issues Edict on Human Rights *[Tbilisi Radio]* 53
Destruction of Weapons in Kodor Gorge Begins *[ITAR-TASS]* 53

BALTIC STATES

Estonia

Report on Foreign Minister's U.S. Meetings *[ETA]* 54
Captain Suspects 'Bomb' Aboard Sunken Ferry *[ETA]* 54
Meri Nominates 3 Candidates for Prime Minister *[INTERFAX]* 54
Parties Declare Unwillingness To Work Together *[Tallinn Radio]* 54
Coalition Party Refuses To Enter Pro Patria Government *[BNS]* 54

Latvia

President Ulmanis Receives UK's Rifkind *[Riga Radio]* 55
Rapprochement With NATO Envisaged *[Riga Radio]* 55
Foreign Minister Returns From Strasbourg Talks *[Riga Radio]* 55
Admission to Council of Europe Decided *[Riga Radio]* 55
Premier Says Foreign Policy Must Change *[Riga Radio]* 56

Lithuania

Brazauskas Opposes Russian Peacekeeping Role *[ITAR-TASS]* 56
President Holds Talks With UK's Rifkind *[Vilnius Radio]* 56
Defense Cooperation Memorandum Signed *[Vilnius Radio]* 57
Premier Departs for 5-Day Visit To Israel *[ITAR-TASS]* 57

Yeltsin Receives CIS Executive Secretary

LD0510173794 Moscow ITAR-TASS in English 1539 GMT 5 Oct 94

[FBIS Transcribed Text] Moscow October 5 TASS—Boris Yeltsin, the president of the Russian Federation and chairman of the Council of CIS Heads of State, received Ivan Korotchenya, executive secretary of the Commonwealth of Independent States in the Kremlin today. They reviewed a wide range of issues related to the next CIS summit scheduled to be held on October 21, 1994, the Russian presidential press service told ITAR-TASS.

During the meeting, perspective directions of work involved in the formation of the economic union and the creation of the CIS Interstate Economic Committee were also discussed.

Ivan Korotchenya informed Boris Yeltsin about the work of the Executive Secretariat of the CIS and the pace of the implementation of assignments of the Council of CIS Heads of State.

Shakhray Cautions Against Integration Haste

MM0510160594 Moscow ROSSIYSKAYA GAZETA in Russian 1 Oct 94 p 5

["Theses of report which Vice Premier Sergey Shakhray was to have delivered at scientific and practical conference 'Eurasian Area: Integration Potential and Its Realization' held in Alma-Ata [Almaty] 19-21 September this year": "Sergey Shakhray: It Is Possible To Unite, But Without Rushing It. Seven Principles of New Integration Policy"]

[FBIS Translated Text] It is human nature to consider any turning point the start of a new history, but time passes and the pendulum will be sure to start swinging back. Just 18-24 months ago the slogans of the day were "full sovereignty," "independence," and "democracy." Today "Eurasia," "reintegration," and "geopolitical priorities" are becoming an organic part of public awareness.

Moreover, the slogan of the CIS countries' closer unification long ago moved from the category of sensations to the plane of routine work. The drafts of Kazakhstani President N. Nazarbayev's Eurasian Union and of the Eurasian Confederation of the Party of Russian Unity and Accord [PRUA] have been published, numerous conferences and roundtables have been held, the Russian Government has set up a commission to prepare a concept for the development of integration processes with the CIS member countries, and scientific centers, international working groups, and foundations have been formed specially to tackle questions of reintegration.

The line of interparliamentary ties and the CIS Executive Secretariat is developing actively. This is an important constituent helping to deepen ties among the peoples of the CIS countries and defining, as it were, the most important, humanitarian dimension of integration work. Interparty ties are of great significance in this context.

There is also a whole range of areas being tackled by the governments of CIS countries with an interest in integration. At one extreme here is daily joint activity at the level of sectoral ministries and departments, and at the other—meetings of the Commonwealth countries' heads of state and government. Work simultaneously over the whole range of the "executive vertical" is very important, because the need to combine methods of unification on the basis of the free coordination of economic interests with state management of integration processes long ago became clear.

But, in addition to the policy actually being implemented in this sphere, there is also the dimension of "political theater," in which ideas of integration are regarded merely as a means of winning over the electorate and are in no way backed up by specific mechanisms for realizing them.

In just the same way as three people in a Belorussian [Belarusian] forest were unable to break up a nuclear power on their own, so three people, and even three parliaments, will be unable to put it together again. Populist speculations on wholesale and total integration will lead to nothing but the rocking of the internal political situation in the CIS countries themselves and the destruction of the consistent and businesslike policy of reintegration and, when it comes right down to it, could altogether blow up the whole Commonwealth. Particularly dangerous in this context are all sorts of individual "Slav" or "Asian" unions, which smack of ethnic egoism and are capable of taking us very far away from really essential forms of integration.

But the reintegration process is under way. Right now we must stop at least for a minute, look around, and understand: Will it not turn out that, having signed the final document and shaken each other's hands, we will at once discover that the expectations and interests of the partners in reintegration had been diametrically opposed? I believe that it is always useful to take an occasional sideways look at complex processes of this kind and to make an impartial assessment of what we are doing, how we are doing it, and whether we are approaching the set goal or being distracted from it. It is particularly important at least sometimes to elucidate the interests of the member countries and to determine who is really engaged in integration work and who is simply using the slogan of reintegration for his own political ends.

Here I would like to make one comment that is very important to me. By urging people to stop and think at a time when both "right-wingers" and "left-wingers" never tire of saying the magic word "integration," I risk being misunderstood. Particularly as the PRUA published the draft of the Eurasian Confederation back in

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

April of this year, and the main approaches to this question were formulated back in the spring of 1992.

The PRUA undoubtedly advocates deepening the unifying processes in the traditional Eurasian area, which is so close to everyone. Otherwise I and the members of our faction in the Duma would not have championed the CIS and spoken of its prospects during the very difficult July parliamentary hearings in Moscow.

Our position on this question has always differed greatly from the views of politicians who aspire to the role of "patriots of the post-Soviet area"—the only ones of their kind. But in those hearings it finally became clear that a real political dialogue can begin only after we stop trying to ascertain which of us is the greatest patriot of his country and finally proceed to the "inessential" details which are so essential in such matters.

Leaving aside the purely economic interests in the restoration of the single area, which, incidentally, are also very different, the political aspects of integration give us much to ponder.

I can at once point to the strangely pained reaction of other states to Russia's attempts to declare its own national interests and its right to "reasonable egoism" in matters of relations with the CIS countries. Not even the practice of recent years, during which Russia has become the Commonwealth states' largest foreign creditor, is convincing. The very possibility of defining the strategy of integration "according to Russia's rules" is usually regarded as a manifestation of an imperial syndrome, not as a reasonable and perfectly valid aspiration on the part of a state.

Thus, criticizing the idea of "drawing the CIS countries into a new formation," H. Kissinger, former U.S. secretary of state, frankly declared at a recent session of the Ukrainian-U.S. Consultative Committee in Kiev that "this would not be in the U.S. interest," while Z. Brzezinski voiced support for those Ukrainian actions "which help to turn Russia from an imperial state into a 'normal' one." To all appearances, the Foreign Intelligence Service experts are right when they emphasize in their open report "Russia-CIS: Does the West's Position Need Modification?" that talk of "Moscow's imperial positions" is no longer a subject of theoretical dispute but attests to a shifting of Western countries' political accents in their assessment of Russia's position with regard to the countries of the new abroad.

On the other hand, perplexity is also aroused by the certain caution of the Russian Federation itself with regard to forming a fundamentally new integration nucleus. **Since a distinct official position on this question has not yet been expressed, there is still scope for all sorts of political speculation.**

In addition to people who like to make political capital out of this topic in Russia there are also leaders today who consider it far more advantageous to give the appearance of being regular fans of economic prosperity for Russian citizens. Rejecting financial, payment, and other unions with Belorussia, Ukraine, or Kazakhstan, they motion toward the Russian advantages already secured. Radical-liberal representatives of this trend are little acquainted with the processes taking place today throughout the post-Soviet area, whose essence may be described briefly as follows: a desire not only for full economic autonomy but also for full economic independence from Russia. This desire on our partners' part is understandable if you recall the excesses of Soviet policy and the principles of building the Soviet "regionally specialized" economy.

In reality it could happen that in just two or three years' time Russia will lose its priorities in the Eurasian economic area to a considerable degree and will be forced to spend additional funds on opening up new international markets. Analysts note the growing danger of Russia's communications isolation, particularly in connection with Central Asian states' plans to construct transport corridors bypassing Russia and with the loss of control over such promising technology as space communications.

Pakistan is already prepared to open routes to the Indian Ocean for the Central Asian states. Kazakhstan, by setting up railroad communications with China, is seeking access to the Asia-Pacific region. The Commission of the European Communities has prepared a program geared to the creation of a combined (including sea) Europe-Caucasus-Asia transport corridor. At the same time the capacity of Russia's own seaports today no longer attains even half of what the former USSR possessed.

Meanwhile, we are also encountering a lack of understanding in relations with our future partners in the Eurasian Union. The initiators of Eurasian-style unification display excessive suspicion of Russia, ignoring the significance of the principles of the phased and consistent nature of these steps and underestimating how much their implementation depends on sincerity of intentions and complete trust in one another. But how can there be any question of absolute trust if structures and international blocs parallel with the CIS are being created outside the framework of the discussion of integration?

It is possible to cite as an example the international road communications organization, which was formed not so long ago with its headquarters in Switzerland. It embraces 11 former union republics, excluding Russia. Having the status of an intergovernmental structure, this organization intends jointly to uphold its interests in the international arena. According to certain data, it is planned to set up an analogous organization for questions of communications and telecommunications, once again without Russia's participation. In this case official discussions on the theme of integration can be perceived as political cover for a different line and as a tactical maneuver which could provide grounds for accusing

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Russia of being reluctant to accelerate the unifying processes if it alone does not act according to the scheme previously prescribed (or imposed on it). There is no doubt that a "duplicated" policy of this kind could have far-reaching international consequences.

Returning to the subject of the Eurasian Union, I would like to obtain answers to other important questions.

For example, why be in a hurry to create the Eurasian Union, from which, without beating about the bush, a good half of its members might "drop out" within six months? Every member, as is recorded in the draft, can simply "leave the Eurasian Union after having informed the other states in advance, no later than six months before making the decision." Maybe we have had enough of the mine that was laid in 1922 in the form of the right of republics to secede from the former union state? Again: How can the collective security of the Eurasian Union countries be ensured under conditions where a multitude of national armed forces operate? A great many such "details," if such they may be called, will also accumulate during general approval of the very idea of integration....

Of course, the fears of the leaders of the Central Asian states which are today seeking to form an additional axis of guarantees within the framework of interregional unions are perfectly understandable. It is not clear, however, how Kazakhstan, for example, will succeed in combining its Eurasian priorities with the regional interests of its partners in the Central Asian bloc, who distance themselves from unification in the new union.

There is also another point. People's obvious nostalgia for the former common home can be utilized pragmatically in elections and referenda and then be forgotten equally pragmatically. Therefore there is no point in holding talks in earnest on stronger integration with those states for which this need has not become really obvious.

It is no secret that among the supporters of unification into the Eurasian Union (including in Russia) there are people who need integration only as a "prop" for their own career ambitions. They are in a hurry to organize any interstate unions, even the "chamber" type ["kamernyye"], without realizing that the chief aim of unification is not the creation of new leadership posts (even supranational ones) but the achievement of quite specific political and socioeconomic results. In particular, results such as halting the wave of migration into Russia, symmetrically creating a legislative base, restoring traditional cultural ties, and, in the final analysis, creating a comfortable environment for the maximum number of people who once considered this area their "great motherland."

All possible attempts are being made to "crush" any unification at all costs and as quickly as possible, particularly by means of pushing the idea of referenda albeit it at the level of the Slav republics. In such haste some of the Russian leaders who aspire to membership of the democratic camp display a strange political omnivorousness, placing the ideas of a confederation and of the USSR's restoration on a par with each other. The old logic seems to be operating once again: Let us first organize integrational rush work and then investigate what to do next.

Two pragmatic political goals at once may lie behind this logic. On the one hand, the official leaders of some Commonwealth states, who are losing authority, are trying to prepare a bridgehead for themselves in good time, so as to move smoothly into the new chairs of supranational organs. On the other hand, the goal of the Eurasian rhetoric can be the unification of a number of states of the post-Soviet area into a bloc which regards Russia not in terms of partnership but in categories like "market capacity." In fact, a definite possibility of trying to impose disadvantageous obligations on the Russian state is already emerging on the basis of the creation of interstate structures of the CIS countries without Russia's participation.

I do not lay claim to the ultimate truth, but it seems fair that, when pursuing a policy of reintegration (or new integration), we should adhere to the following principles:

1. The logic of developing a new, closer association of the Commonwealth countries must conform to the logic of developing cooperation within the CIS.

2. Neither the creation of a confederative or "Eurasian nucleus" nor, still less, total reintegration must be decreed coercively, even on the basis of provoked decisions by parliaments or referenda.

3. Integration processes must proceed gradually and on voluntary principles. A good example of this is the creation of the payment union of CIS countries and of the Interstate Economic Committee of the Economic Union, which is acquiring clear features of a supranational organ.

Therefore it would be more correct to begin not by signing a multilateral treaty on the creation of full-scale supranational structures of the new state association but by providing normal juridical support for the reintegration processes already under way.

On the one hand, these can be bilateral treaties between states which must have not only a common structure but also coinciding main provisions. A single model of bilateral treaties will make it possible after a while smoothly to conclude a framework agreement on the formation of a reintegration nucleus from several states.

On the other hand, work should be carried out more actively on the creation of model legislation, in order to restore the single legal area. Incidentally, a draft model Civil Code for the CIS countries already exists.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

But all this important work cannot, unfortunately, ensure a real breakthrough in the immediate future, because the new union of states will, all the same, find itself in a normative vacuum. Therefore I see as the only way out the conclusion of volume agreements between the CIS states in individual areas or groups of problems—on transportation, communications, budgetary regulation, etc. After ratification by the member countries' parliaments these interstate agreements are categorized as norms of international law and accordingly take priority over articles of national legislations. Thus, large sections of the legislative base of the new, strong association of Commonwealth member states will be created at once, and these "growth points" will develop in parallel with growth in the processes of real integration.

4. It is necessary to support gradual steps in the direction of concluding border agreements between regions of the CIS states. Such work "at the interface" of territorial interests frequently proves far more sound than the grandest interstate declarations.

5. The realization of integration plans must not be an obstacle to strengthening unified Russian federative statehood. On this plane Russia's partners in the future union must prevent a repeat of the excesses of Novoogarevo, avoiding the enlistment of individual Russian regions into the Eurasian Union in addition to (or apart from) the Russian Federation.

6. An important point is the rejection of the idea of an exclusive Slav union, even if it is based on the historical and ethnic closeness of Russia, Ukraine, and Belorussia or on the thesis of the need for a Slav counterweight to the "Asian integration" which is gathering momentum. Russia is not only an Orthodox country. Muslim peoples make up over 10 percent of its population. Therefore there can be no question of any preliminary selection according to ethnic or political criteria.

7. We must unconditionally demand an increase in the sides' responsibility and sincerity and also insist on the suspension of all backstage talks on questions of integration being conducted without Russia's participation.

Russia, like all other Commonwealth countries, has every right to pursue a line of "reasonable egoism" and to reject actions to the detriment of its national interests. Such a position is not a symptom of imperial renaissance. It attests precisely to a perfectly market approach to questions of integration. For the free market is founded precisely on the coordination of interests and on equality in partnership relations.

One final point. Before holding interstate consultations on questions of integration, key figures in the Russian establishment must reach agreement on some "internal" rules, primarily on the basis of which principles Russia can and must participate in integration processes. Otherwise the outcome of such talks could be the same result as in Krylov's celebrated fable: "But the cart has not moved...."

ITAR-TASS Carries Press Review for 6 Oct

LD0610064794 Moscow ITAR-TASS in English 0631 GMT 6 Oct 94

["Press Review"—ITAR-TASS headline]

[FBIS Transcribed Text] Moscow October 6 ITAR-TASS—Russia's national newspapers today lead with reports about the opening of the autumn session on the Federal Assembly and the natural calamity which struck the southern Kuril islands.

ROSSIYSKAYA GAZETA reports that State Duma chairman Ivan Rybkin opened the session of the lower house of the Russian federal legislature with reading out a message of greetings from President Boris Yeltsin who said he was happy to see that the forecasted impossibility of interaction between the two branches of power proved false.

The house then proceeded to a discussion of a plan for their law- making activity proposed by First Deputy Chairman Mikhail Mityukov. A debate flared up about which draft law should be given priority in the parliament. The agrarians complained that the proposed priority list skipped the law on state procurement of farm produce, which was already approved on first reading earlier, and the "Women of Russia" faction bemoaned the Duma's move in delegating to the president the initiative of implementing the program "Children of Russia", ROSSISKAYA GAZETA reported.

"There were no unpleasant surprises for the executive power at the beginning of the State Duma session, and no one called for the resignation of the government or the president as earlier expected," the IZVESTIYA daily said in a comment. "Probably, this was due to the fact that the main trouble shooter, the LDPR [Liberal Democratic Party of Russia] faction and its leader" preferred a visit to North Korea to legislative activity at this point. As concerns the second largest opposition group, the Communist faction, its leader Gennadiy Zyuganov made it clear in the lobby that the question about the government's resignation should be raised only after the Cabinet of Ministers reports to the house on its activity and presents its plan for further work. According to Zyuganov, this is likely to happen in about two weeks."

Most newspapers provide extensive coverage of the disaster which hit the southern Kuril islands, where the earthquake and the tidal waves rased numerous towns and villages and killed many people.

KOMSOMOLSKAYA PRAVDA reported that the tremors which recurred late at night on October 4 and the small hours of October 5 measured up to 10 points on the Richter scale. "The log houses fell apart as if they were dolls houses, and a few brick buildings remained intact only externally," the newspaper reported. "In Yuzhno-Kurilsk, not a single house escaped undamaged. Even the solid building of the city administration is shaky and on the verge of collapse, should another

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

tremor occur. According to official data, up to 85 percent of all homes have been destroyed in Kunashir and Shikotan. To make the matters worse, the earthquake was followed by its fearful companion, the tsunami. The huge wave triggered by the quake rose three meters in the air and smashed into the piers, destroying the most vital installations in the Kuril residential areas. No one has the exact figures of the casualties resulting from the awful catastrophe," the newspaper said.

The newspaper TRUD carries, under the banner "Moscow and Kiev on the Threshold of Special Relationships" a report about the preparation of a full-scale Russian-Ukrainian treaty. "Top officials shuttle between Moscow and Kiev, a visible sign of preparations for Boris Yeltsin's autumnal trip to Ukraine," the newspaper says. "The visit is meant not only to demonstrate the Kremlin's backing of Ukraine's new President Leonid Kuchma and leave to oblivion the "ill-remembered" rule of Leonid Kravchuk marked with recurring political crises and stable tension across the entire spectrum of Russian-Ukrainian relations. The main aim is to sign a comprehensive bilateral treaty of friendship and cooperation and codify the policy of "special relationships" already announced in the two capitals.

ROSSIYSKAYA GAZETA devotes two pages to the draft federal law "on general principles of organization of local governments in the russian federation".

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Yeltsin, Clinton on Relations, Conflicts

LD0510190494 Moscow ITAR-TASS in English 1845 GMT 5 Oct 94

[FBIS Transcribed Text] Moscow October 5 TASS—Russian President Boris Yeltsin had a telephone conversation with U.S. President Bill Clinton in the evening of October 5 in accordance with an agreement reached during President Yeltsin's visit to the United States, the presidential press service said.

The two presidents discussed specific steps to further bilateral relations and settle regional conflicts.

Government Statement Condemns Azerbaijan Events

LD0510173594 Moscow ITAR-TASS World Service in Russian 1621 GMT 5 Oct 94

[FBIS Translated Text] Moscow, 5 Oct (ITAR-TASS)—The Russian Government has expressed concern about the events in Azerbaijan. A statement by the Russsian Federation Government given to ITAR-TASS by the government press office today notes that "alarming reports have been received from Azerbaijan during recent days. A number of terrorist acts have been committed. A state of emergency has been announced in Baku and rallies in support of the republic's president are taking place. The threat of confrontation—including armed confrontation—which has arisen in Azerbaijan is fraught with new sufferings for its people and political chaos. There is a danger that destabilization in the country could undermine efforts made towards a Karabakh settlement."

The document emphasizes that "the Russian Federation Government expresses its concern in connection with such developments in a friendly neighbor state—the Azerbaijani Republic—which is a member of the CIS." "We condemn any anti-constitutional actions against the legitimately elected president of Azerbaijan and we consider that all of the healthy forces in the country should unite in the interests of strengthening the Azerbaijani Republic as an independent, sovereign, and democratic state," the Russian Federation Government statement notes.

Kozyrev Meets UN's Butrus-Ghali in New York

LD0610091394 Moscow Radio Rossii Network in Russian 0800 GMT 6 Oct 94

[FBIS Translated Text] Russian Foreign Minister Andrey Kozyrev returned this morning from New York where he took part in the work of the 49th session of the UN General Assembly, RIA reports. Before leaving New York Kozyrev met UN Secretary General Butrus Butrus-Ghali. During the meeting, there was discussion on the issues of the settlement of the crises in Bosnia-Herzegovina and Nagorno-Karabakh, and also of the situation around Tajikistan.

Praises UN General Assembly's Work

LD0510154094 Moscow ITAR-TASS in English 1344 GMT 5 Oct 94

[By ITAR-TASS correspondent Sergey Baybakov]

[FBIS Transcribed Text] New York October 5 TASS—"The presentation of the 'Yeltsin Doctrine', as the Russian president's speech to the 49th session of the U.N. General Assembly was dubbed abroad, can be regarded as the main result of the first stage of the assembly's work," Russian Foreign Minister Andrey Kozyrev told ITAR-TASS. He noted the "great impression produced by Yeltsin's speech on diplomats and the mass media in many countries". "Of course, the reaction was not the same everywhere, but the main goal was achieved: The world was able to get a clear outline of the ideas by which the new Russia is guided nowadays," Kozyrev added.

"The work of the 49th session of the U.N. General Assembly is proceeding in a businesslike atmosphere. All the proposals, tabled by the members of this international forum, are being studied attentively," Kozyrev stated. "Of course, the far-reaching proposals of such countries as the United States, for instance, require thorough analysis. It would be strange to expect a hasty reaction of the other states to such initiatives, especially linked with strategic stability and nuclear disarmament. They require a deep- going analysis," the minister noted. "We are scrupulously collecting all the incoming proposals. They will be thought over, thoroughly weighed, and there will certainly be an adequate reaction to them," he continued.

Asked about Russia's proposal to sign an agreement with the Security Council on the assignment of national military contingents for U.N. operations, Kozyrev said: "This idea was included in the U.N. Charter fifty years ago, but it did not materialise due to the many-decades-long 'cold war'. Now the ice has melted and we have moved to implement this idea, the more so since the need for U.N. peace-making efforts has increased of late."

"The Russian delegation had several business meetings in the course of the session, and their result can already been seen," Kozyrev stated. He described the meeting of G-8 delegations, i.e. the delegations of the industrially developed Western countries and Russia, as a "a normal forum of full-scale cooperation". "The foreign ministers of those states met for the first time not within the '7 plus 1' format, but as equal partners," Kozyrev stressed.

"This yielded immediate concrete results," the minister pointed out. "Firstly, the agenda of the G-8 heads of state and government meeting in the Canadian city of Halifax, New Scotland [as received], scheduled for next summer, was discussed for the first time with Russia's participation. Secondly, the foreign ministers jointly discussed such current international issues as the situation in Bosnia and Korea, as well as the nonproliferation of nuclear weapons. They agreed to hold future

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

exchanges of views on these and other problems in the same format." The minister regards as very important the reached accord on the discussed problems, accord not between the G-7 nations and Russia, but between all the participants of the meeting, no matter how their assessments sometimes differed. "The situation is more complicated and more normal at the same time," he stated.

Kozyrev described as fruitful the relations that were now developing between Russia and members of the European Union. He cited as an example the recent meeting with EU foreign ministers now attending the 49th session of the U.N. General Assembly, during which an agreement was reached to promptly sign a treaty on partnership and cooperation between the European Union and Russia. "This will take much time in case of a routine approach to the matter in hand, but it is important for us to sign this document already now, because very much depends on it, including the terms for our access to the European markets," Kozyrev stressed.

"The problem of increasing the number of permanent members on the U.N. Security Council is quite difficult and should not be resolved hastily," the Russian foreign minister believes.

"The situation has cardinally changed in several cases," he stated. "In principle, it could be reflected in the Council's composition. But how can this be done? Hence, we do not move to reform it. We say that a situation has matured in the world in which the raising of the problem related to the composition of the Security Council is absolutely warranted," the minister noted. "Why should only five countries, who played the leading role in the Second World War, be represented on the council? Such states as India or Germany have become leading powers during the post-war period. But what criteria should be used to select candidates to the Council, the more so since there are many equally large countries in the world nowadays. We move not to be overhasty, to carefully think over all the possible versions."

"For its part, Russia moves to expand the opportunities of the U.N. Security Council, in particular to hold visiting sessions," Kozyrev stressed. This would substantially contribute to its more effective work, particularly in discussing Bosnia-type regional conflicts."

Kozyrev Interviewed on Foreign Policy Issues

LD0510183794 Moscow Ostankino Television First Channel Network in Russian 1530 GMT 5 Oct 94

[Interview with Foreign Minister Andrey Kozyrev by "Novosti" announcer Mikhail Osokon in New York; date not given—recorded; from the "Man and Law" program]

[FBIS Translated Text] [Osokin] Andrey Vladimirovich, I would like to start with the Haiti issue and the voting in the UN Security Council several days ago. The United States proposed lifting the sanctions after President Aristide is restored to power. Two states - Russia and Brazil - abstained. Why did they do that? The question is bound to arise. I would like to ask this question of you - why did Russia abstain?

[Kozyrev] We abstained because we are against the use of double standards in approaching different situations. The fact is that when the question arises of sending observers to Tajikistan, for instance - the Security Council sent such observers recently - it takes about a month to clarify and settle various details, to hear reports and send missions. Yet in this case all these procedures were, one might say, pushed aside to a certain extent. Therefore we abstained, demonstrating thereby that we are undoubtedly in favor of lifting the sanctions but only after we have seen some reports and after appropriate fact-finding missions have done their work. All the more so since Aristide has not even come anywhere near Haiti and it is unclear how all this will end. Therefore, abstaining was the very minimum we did by way of voting. In actual fact, we had considered other options.

[Osokin] All right. Bosnia is much closer to us than Haiti and as far as I know, the Russian and U.S. presidents agreed at their summit here in the United States that they disagree on many aspects of this matter. What is actually happening with regard to the lifting of sanctions from the Bosnian Muslims now, after the Russian-U.S. meeting?

[Kozyrev] We consider this step possible but only if we talk not in terms of a political settlement process but of giving a go ahead to a slaughter in Bosnia. I mean, such an approach is also possible: Fine, since we have failed to cope with the situation and cannot do anything about it, let them kill one another up to the last man, as they say. If we look at it this way, then one can say: Let us give weapons to this side and to the other side and let them fight.

[Osokin] This means that the UN observers would be withdrawn, that it will become necessary to withdraw them?

[Kozyrev] There can be no doubt about it. We shall withdraw our volunteer peacemaking troops well in advance because we sent them there to carry out a peaceful mission and not to have them stranded in the very midst of this shootout.

[Osokin] You now seem to have allies in the Security Council as regards the lifting of sanctions from Bosnia. I mean France and Britain.

[Kozyrev] Well - how shall I put it? - we have a certain degree of cooperation within the group of five, and that is very important. At the same time, of course, there are countries which, like us, think that the lifting of the embargo is already an unacceptable possibility - countries, in fact, like France and Britain. It is mainly

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

countries that, like us, have peacekeeping contingents on the spot. The United States does not have a peacekeeping contingent in Bosnia - in Sarajevo, let's say, like ours. So there's probably a rather different feeling. It's one feeling when your people may tomorrow find themselves under fire, but it's a different matter when they're not.

[Osokin] All right. I've got the magazine NEWSWEEK here, the latest issue, dated 10 October. The magazine contains an article called "The Yeltsin Doctri..e" with a question mark.

[Video shows Yeltsin speaking at UN on 26 September] [Yeltsin] Russia's economic and foreign policy priority is the countries of the Commonwealth of Independent States - the countries of the former union. Russia's link with them is closer than ordinary neighborliness. It is rather blood kinship.

Attempts to play on the contradictions between countries of the Commonwealth are short-sighted.

The conflicts in a number of countries of the Commonwealth [video shows Azerbaijani delegation] are a serious threat to the security not only of our country but also of regional and world stability.

We have an acute interest in the active assistance of the world community in resolving these difficult problems. But the main burden of peacemaking on the space of the former union lies today on the shoulders of the Russian Federation.

[Osokin] To judge from what the president said at the United Nations, Russia's special interests in the CIS countries constitute a new doctrine, a claim to a sphere of influence in the CIS countries. How would you comment on this? Is there such a Yeltsin doctrine in fact?

[Kozyrev] Well, as for doctrines, you know that, in our country, they're not usually called doctrines. A doctrine is more something that others have - the Nixon Doctrine, the Carter Doctrine, and so on and so forth. That's why they have their own terminology. But we have President's Yeltsin's policy, which is actually to develop voluntary integratory links as much as possible and to perform Russia's peacekeeping role in the CIS, simply because we're given nothing else.

[Osokin] You've already had meetings here at the United Nations with CIS leaders. What is their reaction to the Russian president's speech and to Russia's interests when they were declared in that speech?

[Kozyrev] Well, I must say that the reaction is very constructive. The point must be made, after all, that it was certainly not the first time that we had said that. It's a good thing that we've been heard. That was the aim of the speech at the UN. And here we spoke in the main about matters connected with how the CIS is represented on the outside. As you know, according to a decision of the heads of state, the status of the CIS as an observer at the United Nations has been established. There is a package of questions in which, well, let's say, terrorism - we are again taking counteraction; drugs, more counteraction there, too; organized crime, there have also been joint initiatives of the CIS. These are, then, not just the common positions but also the common proposals and initiatives of the CIS.

But there are, of course, questions on which there is quite a divergence of opinion. In other words, we are not trying to get a repeat of something like the old Warsaw Treaty, where a move to the left or a move to the right was tantamount to treachery, and we have no aspirations towards unification.

Kozyrev on Relations With European Union

LD0410220294 Moscow ITAR-TASS in English 2058 GMT 4 Oct 94

[By ITAR-TASS correspondent Sergey Baybakov]

[FBIS Transcribed Text] New York October 5 TASS—Russian Foreign Minister Andrey Kozyrev described as fruitful the relations between Russia and the European Union.

He cited as an example a meeting with foreign ministers of the European Union who attended the 49th session of the United Nations general Assembly. The meeting agreed on the soonest signing of the Russian-EU treaty on partnership and cooperation.

"It is a long routine procedure, and we need the document now since much depends on its signing, including the conditions of our access to European markets," said the minister.

Shokhin Signs Debt Repayment Agreement

LD0510202194 Moscow ITAR-TASS World Service in Russian 1620 GMT 5 Oct 94

[By ITAR-TASS correspondent Vladimir Shekhovtsov]

[FBIS Translated Text] Madrid, 5 Oct—Russia and its creditors have reached an agreement paving the way toward a review of the timing of the repayment to commercial banks of the $24 billion debt inherited from the former USSR. A document to this effect was signed today at the Russian Federation's Embassy in Madrid by Russian Deputy Prime Minister Aleksandr Shokhin and (Kristian Fonts), chairman of the consultative committee that brings together 600 creditor banks. According to the document, before the end of 1994 Russia will make "substantial payments" connected with debt interest repayments for 1992 and 1993.

Shokhin Views Effects of IMF Decision

LD0510165694 Moscow ITAR-TASS in English 1601 GMT 5 Oct 94

[By ITAR-TASS correspondent Vladimir Shekhovtsev]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[FBIS Transcribed Text] Madrid October 5 TASS—Russia, other former Soviet republics and East European countries will have to tackle their economic problems of the transition period without relying on additional grants from the reserves of the International Monetary Fund (IMF).

A session of the IMF Interim Committee (the IMF executive body) exposed significant differences between the rich and the poor. As a result, no distribution of the IMF finances among the developing countries and post-communist countries with transition economies took place here in Madrid. Moreover, no such distribution is to be expected in the nearest future.

In other words, these countries will have to count on their own meagre resources for at least two or three years, rather than on support of wealthier countries.

"What has happened?" ITAR-TASS correspondent asked Aleksandr Shokhin, Russian deputy vice-premier.

"The Interim Committee has failed to carry out the tasks included in the orders of the day. Developing countries represented by the "Group of 11" wanted to get a general issue of the IMF hard currency finances (50 billion USD) as proposed by Michel Camdessus, and distribute the sum among all the 179 IMF member states," Shokhin said.

"In the opinion of the seven industrialized nations, however, there is no ultimate necessity in this third regular issue. They feared lest the move should stimulate undesirable inflationary processes," he remarked.

"On the other hand, all the participants unanimously agreed that the (post-communist) countries with transition economies needed a special issue of the IMF hard currency finances, because they did not participate in the distribution of the previous issues, because they were not IMF members then," he said.

"The Group of Seven industrialized nations, on the contrary, proposed that a new issue of finances under "special drawing rights" should not exceed 22.5 billion USD. Eventually, the 'Group of 11' blocked (discussions) on all points in view of ensuing controversy," he said.

Remarkably, developing countries turned down the proposal of industrialized nations for the first time in the 50-year history of the IMF. Besides, the "Group of 11" virtually ruined an opportunity to prolong the programme for systemic transformation. Expiry date for the programme intended for the countries, which, for example, want to turn a centralized system of economic management into a free- market one, is fixed for 1994.

According to Shokhin, the programme "could give us two billion USD additionally in 1995".

The IMF Interim Committee has nevertheless managed to solve one issue. It raised quotas on credits drawn from the IMF reserve funds. From now on, the IMF member states are entitled to draw credits adding up to 90 percent of their quota specified in the authorised capital. Previously, the limit was set at 68 percent.

Unofficial sources at the IMF annual meeting believe that Russia and other former Soviet republics were harmed most of all here, because they urgently need additional hard-currency "injections", which will enable them to go ahead with the reforms and stabilize their economies.

Shokhin Says IMF Policy 'Salutary'

LD0510162394 Moscow ITAR-TASS in English 1239 GMT 5 Oct 94

[By ITAR-TASS correspondent Vladimir Shekhovtsov]

[FBIS Transcribed Text] Madrid October 5 TASS—The policy pursued by the International Monetary Fund is salutary on the whole, Russian Vice Premier Aleksandr Shokhin said at a plenary session of the annual meeting in the Spanish capital of the World Bank group and the International Monetary Fund.

Shokhin noted that this year marks the 50th anniversary of the Bretton-Wood conference, which is a good opportunity for sizing up the experience of the institutions created at the conference.

"I want to say at the outset that I do not share the criticism of the fund and the bank which I have heard," Shokhin said. Among the most frequent charges one hears are, on the one hand, statements that the IMF is turning into an agency providing financial assistance, and on the other hand, that its terms are unjustifiably harsh. I think that the truth is, as always, somewhere in-between," Shokhin said.

He continued to say that the activity of the fund meets with notable response in the countries which find themselves in a crisis and run against major macroeconomic and structural imbalances. "we all know many cases where the new governments which have inherited acute financial crises from their predecessors hurry to the fund for help since there is no other place they can turn to. In my view, the chief problem in this field is that the amounts which the IMF is capable of providing do not always meet the needs of a country in a crises. In this connection I think that the decision of the provisional committee to increase access of countries to the fund's resources is fully justified," the Russian vice premier said.

It is clear that the provision of financial assistance by the International Monetary Fund must be rigidly conditioned on the restoration of order domestically. And still the rigidity of the terms on which financial assistance is extended should be combined with the flexibility of approach, taking into account the specific circumstances in one or another country. Unfortunately one of its most important instruments, its programs of systemic transformations, is now under threat, Shokhin said.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

According to the Russian vice premier, it would be most important to decide on the extension of the period of action of the systemic transformation program. It would enable the organization to use this instrument vis-a-vis countries with economies in transition.

Shokhin also stressed the significance of another aspect in the fund's activity - the extension of technical assistance, because it has a very wide sphere of application and is not limited to emergency reactions to crises. It is particularly important to ensure the fund's consistent interaction with the country which have got rid of their main macroeconomic disproportions and are no longer in need of receiving financial aid. This makes it possible to consolidate the achievements and avoid any repetition of earlier mistakes.

Beginning from 1987 the G-7 countries have held mutual consultations to coordinate their economic and financial polices and ensure greater stability of the currency markets, Shokhin recalled. But it should be admitted that such consultations have no constitutional frameworks and essentially amount to no more than attempts at emergency responses to crises caused by ungrounded fluctuations in the exchange courses of the main reserve currencies. It is clear that in order to ensure greater stability of the currency markets it is necessary to coordinate to a greater extent the financial policies of the countries which have the main reserve currencies and to create a special mechanism of such coordination.

Of great importance is the strengthening of the fund's relations with its members, the consolidation of the spirit of cooperation and mutual understanding, said the Russian vice premier. Of particular importance is to make sure that none of the fund members feel encroached upon in any of the aspects of its activity. For example it would be logical to have the large group of countries with their economies in transition represented in the leadership of the Bretton-Wood establishments.

"I also hope that it would be possible in the nearest future to solve the problem relating to a new issue of special borrowing rights, which would enable the proportional participation of all the fund members in this important mechanism. Representatives of the Group of Seven and the Group of Eleven on the provisional committee should find an acceptable compromise on this as soon as possible," Shokhin said.

Shokhin on London Club Debt Rescheduling Deal

LD0510211194 Moscow INTERFAX in English 2031 GMT 5 Oct 94

[FBIS Transcribed Text] Russian Vice Prime Minister Aleksandr Shokhin has said that Russia had reached an agreement with the London Club to restructure its 24-billion debt to Western commercial banks. He made this statement on Wednesday in Madrid which is hosting a meeting of the IMF and World Bank member-states' finance and economics ministers.

Talks on the issue had been launched a year ago, but were deadlocked due to the sovereign immunity issue. Western commercial banks insisted on Russia's refusing its sovereign immunity which would enable them, if the debts remained unpaid, to institute legal proceedings against Russia in international courts.

Shokhin said that the London Club had at last agreed to withdraw this demand.

"All the Russian government has to do now is to issue a declaration that it commits itself to repay the debt to the London Club according to the new restructuring," he added.

The final details of the debt restructuring agreement will be agreed on in the near future.

Observers believe that the principal agreement between Moscow and the London Club was a great success of the first which will enable it to settle unsolved issues with other creditors.

Foreign Trade Ministry Urges Export Continuation

MK0510141094 Moscow KOMMERSANT-DAILY in Russian 5 Oct 94 p 3

[Report by Nelli Shmakova: "FERM Concerned About Future of State Exports. FERM Officials Disagree With Proposed Reform"]

[FBIS Translated Text] Foreign trade regulation reform promised by the Russian Government in its memorandum to the IMF and the World Bank has created confusion among specialists of various departments. One memorandum provision that has caused the greatest concern of Foreign Economic Relations Ministry [FERM] officials is the government pledge to stop exporting commodities to meet state needs. Yesterday, KOMMERSANT-DAILY learned details of proposals, drawn up by the ministry, on maintaining the mechanism of state exports.

In truth, Western creditors have set this requirement without fully understanding Russia's unique conditions. The point is that GATT requirements include a ban on state export subsidies, and for this reason the Russian Government was apparently advised to forswear this very practice. In Russia, however, there are no state export subsidies whatsoever. It is well known that exporters are simply being given certain preferences when they undertake deliveries related to state needs. But the fact remains, however, that the government pledged to put an end to state exports. So, FERM specialists believe that this cannot bring anything but harm. First of all, in these conditions it will be practically impossible to fulfill the terms of intergovernment agreements whereby commodities are delivered to repay foreign debts. Currently only Russian debt to South Korea

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

is being repaid in this manner (with aluminum deliveries). If something is not used right now, however, this does not mean it will not be needed in the future.

In principle, a threat was looming over the fulfillment of state obligations much earlier—after the memorable cancellation of quotas and licenses for most strategic goods. For it is clear that in the absence of budget financing for state deliveries, only the acquisition of quotas could elicit exporters' interest. But if there are no quotas, there is no leverage to pressure exporters; hence, state deliveries must die, which is what has actually happened. Unlike oil, quotas for which have been kept and for which reason state deliveries are continuing on a more or less stable basis, the state export of nonferrous metals was effectively halted beginning this past July.

Summing up, it is necessary to say that FERM specialists, seeing that the former mechanism of state exports has effectively been disrupted, but suggesting that it should not be scrapped altogether, have proposed a number of measures to reform it. First, they proposed that budget financing of export deliveries to meet state needs be restored, and for the purpose of identifying the cheapest delivery option a competitive system be introduced. Second, that state guarantees of the fulfillment of state deliveries be ensured—for instance, in the form of guarantees that the schedule of oil pumping will be observed.

Defense Ministry, FCS Deny Corruption, Arms Sales

MM0510134394 Moscow KRASNAYA ZVEZDA in Russian 5 Oct 94 p 3

["Statement by the Russian Federation Defense Ministry and Federal Counterintelligence Service"]

[FBIS Translated Text] In connection with the reports carried in the German and Russian mass media recently about the illegal sale of a large quantity of arms and combat hardware to a number of states, including Serbia, which is alleged to have taken place in the former Western Group of Forces [WGF], and in connection with references by the authors of the articles to the German special services, which, it is alleged, possess information on the illegal sale of arms and on corruption in the WGF, the Russian Defense Ministry and Federal Counterintelligence Service [FCS] consider it necessary to make the following statement.

Such reports are a gross fabrication, are provocative in character, and do not correspond to reality. As has already been reported a number of times, all the weapons and combat hardware from the WGF and the countries of Eastern Europe were returned to the USSR and, later, to Russia. The references to comments by B. Schmidbauer, coordinator of the German special services and FRG state minister, who allegedly confirmed the fact of unlawful arms sales and of corruption in the WGF, are absolutely groundless.

On 29 September the FRG state minister stated in a telephone conversation with the director of the FCS that neither he nor the German special services have information of that kind, and he expressed regret that representatives of the mass media had misinterpreted the gist of his comments.

The Defense Ministry and the FCS state that the dissemination of such information, which undermines the atmosphere of confidence and mutual understanding in Europe and harms Russia's prestige, is intolerable.

U.S. 'Letting Yeltsin Down' in Arms Decision

MK0510130094 Moscow KOMMERSANT-DAILY in Russian 5 Oct 94 pp 1, 4

[Report by Georgiy Bovt: "After the Ball"]

[FBIS Translated Text] At the summit in the United States, everything was very well: banquets, friendly embraces, and "friend Boris" slapping the back of "friend Bill." True, there was also something else: Lurking behind the often too informal atmosphere of the meeting was the Americans' half bewilderment, half mistrust: If the Russian president is so unpredictable in observing diplomatic protocol, sometimes preferring "sound, healthy sleep" to it, is it worth seriously thinking about placing a long-term bet on this "guarantor of reform?" Yesterday's move by the State Department is unequivocal: Friend Bill has played a dirty trick on friend Boris. One worth $1 billion.

Assuming that a pause of two days after the Russian-U.S. summit, which went down in history as the most "informal," is quite enough, the State Department yesterday made a bold move. Consideration of 250 applications by U.S. firms for the procurement in Russia of 7.6 million small arms and 7,000 ammunition sets with a total value of $1 billion has been frozen. For comparison: In 1992 a mere 1,000 such firearms were bought from the former USSR; in 1993, 18,000. State Department spokesman Michael McCurry said that this decision was due to the State Department's intention first to study closely the implications of such a radical increase in imports from the viewpoint of U.S. foreign policy and national security interests. In other words, purely economic reasons for such a move (for instance, dumping on the part of Russia) are ruled out.

Meanwhile over the past few days U.S. mass media have been buzzing with the rumor that contracts for deliveries of Russian military products to the United States are a kind of compensation for Yeltsin's obligations in the United States to stop the export of arms to Iran. The State Department denies any linkage with supplies to Iran. People in Washington, however, will invariably, as though after a comma, mention that they do not know what the "implementation of current contracts with Iran" will mean in practice (to Clinton's discontent, Yeltsin insisted on this formula).

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Secretary of State Warren Christopher himself lost no opportunity to assure that he does not know the content of the Russian-Iranian contracts: Maybe new ones will not be needed for a long time to come. The coincidence of sums involved is also curious: For supplies to Iran and exports to the United States the value of the transaction, according to expert estimates, is the same: $1 billion. But the most curious aspect of this situation is that Washington is openly letting Boris Yeltsin down immediately after such an express demonstration (primarily on the Russian part) of Russian-U.S. partnership (Yeltsin pronounced more than once that "we are now one family"—both with Bill and the American people). After all, the refusal by the Russian president to supply Iran with weapons (even if in the future) has caused sullen and almost unveiled resentment in the Russian military industrial complex. This "letdown" appears not at all accidental. One can talk about an emerging trend. For instance, although no formal violations by Russia of its obligations to the IMF have been registered (even in spite of the fall in the ruble), recently Western appraisals of Russian reforms have increasingly reeked of skepticism. A similar atmosphere is shaping up, for example, at the annual IMF session. The reason for this is, in all likelihood, purely subjective: Earlier, the personality of the president—guarantor of reform—could at least for a certain time make up for the absence of effective laws. Today apparently this is not so. Especially given that the guarantor has started talking about the possibility of representatives of the pro-communist opposition being included in the government.

End of U.S. Sanctions Threatens Space Ties

MM0610092994 Moscow IZVESTIYA in Russian 6 Oct 94 p 3

[Report by Vladimir Skosyrev: "United States Pushing Us Out of China and Space"]

[FBIS Translated Text] Beijing—Striving to win multimillion-dollar Chinese contracts for its military-industrial complex, Washington has announced the lifting of the trade sanctions against Beijing that were introduced in 1993 as punishment for the delivery of Chinese medium-range M-11 missiles to Pakistan.

The U.S. Administration's current step followed President Clinton's decision last spring to grant China most-favored-nation status for a limited period. Clinton, to whom major U.S. corporations interested in ties with China had been complaining, then had to bite his tongue and give up any hope of using economic levers to alleviate the position of Chinese human rights campaigners.

This time the U.S. concession concerns only a narrow but exceptionally sensitive sphere of trade in high-tech equipment. It is a question of compliance with the international Missile Technology Control Regime. In 1993 the United States accused China of violating this regime by selling the M-11's to Pakistan. Consequently, the government banned U.S. companies from supplying satellite-launch equipment, mission control systems, and the most modern computers to China. This meant that the Americans lost orders worth hundreds of millions of dollars.

Beijing, which has not admitted selling missile production technology to Pakistan, has been forgiven. U.S. industrialists have thus gained a chance to return to the Chinese space hardware market.

The U.S.-Chinese accord also affects Russian interests. As long as the sanctions were in force, Moscow could count on Beijing being more amenable to cooperation with us in the space sector. But now competition will hot up.

According to information from Western diplomatic sources, all of Russia's attempts to get China to participate in the program of flights to the Mir station have foundered on differences regarding the payment for Russian space services.

U.S. Competitiveness, Desire for Arms Viewed

LD0510225594 Moscow Radio Moscow World Service in English 1810 GMT 5 Oct 94

[FBIS Transcribed Text] Two hundred and fifty U.S. firms have applied to the authorities for licenses to purchase big consignments of small arms in Russia. Vladislav Kozyakov has prepared the following:

The officials in Washington do not conceal their surprise at the number of commercial orders that have been registered. Also, the volume of expected transactions is quite considerable. Last year, all in all, 18 guns were imported by the United States from the former Soviet Union and now American firms have already placed an order with Russia for a license to buy 7.6 million rifles and pistols and seven billion rounds of ammunition. In connection with this, the State Department has decided to conduct studies and find out what has urged such a massive import of such kind of weapons from Russia. Meanwhile, the U.S. State Department, as its representative said on Monday, will not recommend granting licenses for the import of arms from the former Soviet republics.

And as regards the Russian exports of arms, many surprising events that one could never think of earlier have occurred on the international market of arms of late. So many countries—where not long ago American, English, and French suppliers were lording it over—at present give preference to the Russian military equipment.

This spring, 18 MiG-29 fighter planes costing $500 million will be sent to Malaysia. Tanks, armored personnel carriers, and anti- aircraft missiles will be sent to South Korea to compensate for a $1 billion debt. Kuwait has purchased multiple missile launchers—Smerch—and infantry armored vehicles to the value of $700 million. Brazil has signed a contract to purchase

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

anti-aircraft missile units—(?Igla)—for $10 million and reached agreement with Russia for the supplies of T-80U tanks and the United States too is interested in purchasing some hi-tech systems of Russian weapons. For instance, according to press reports the Americans have bought the G-300 anti-aircraft units which, on a number of important parameters, excel the Patriot missiles. The cost of the contract is just $80 million, but it looks symbolic.

Such factors, block competition or ideological animosity, have lost their significance today, therefore the purchase and sale of arms has either got rid of these deterrents or is trying to ignore them. Such criteria as commerce and quality of weapons have come to the fore and they are regulated by the international standard established by the United Nations and the inter-state agreement.

Under these new conditions, the popularity of military equipment with the trade mark—made in Russia—is quickly growing. Experts see that Russia's military equipment is highly competitive. Compared with its western analogues, it is often more preferable. While consumers would always try to chose what is better and cheaper, this is the law regulating the market and this applies to the Russian export of weapons too, perhaps therein lies the answer to the question started in Washington why many American companies are asking for licenses to purchase small arms in Russia.

Air Traffic With FRY Resumes

LD0610060594 Moscow ITAR-TASS in English 0543 GMT 6 Oct 94

[By ITAR-TASS corespondent Ruben Shirinyan]

[FBIS Transcribed Text] Moscow October 6 TASS—After a break which lasted more than two years, the first Yugoslav airliner lands in Moscow on Thursday. The flight originated in Belgrade, according to sources in the embassy of the Republic of Yugoslavia in Moscow.

The flight brings to Moscow prominent entrepreneurs, scientists and cultural figures in what amounts to the resumption of regular airtraffic between the two capitals.

The resumption of airtraffic between Belgrade and Moscow became possible after the United Nations Security Council decided at the end of September to ease sanctions on international air and ferry communications. The Security Council resolution became effective on October 5.

The first Aeroflot flight from Moscow landed in Belgrade on Wednesday.

Kozyrev Details Moscow Stance on Bosnia Aid

MK0510153594 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 44 2-9 Oct 94 (Signed to press 4 Oct) p 13

[Interview with Foreign Minister Andrey Kozyrev by D.R. under the "Details" rubric: "Andrey Kozyrev: 'We No Longer Need Aid'—in New York, date not given]

[FBIS Translated Text] [D.R.] Boris Yeltsin said in the United States that Russia does not consider as aid the $850 million the United States has granted it this year. Why?

[Kozyrev] This is not the type of aid granted to developing countries, that is, in the form of loans. We have forsworn such aid. The issue is the so-called technical assistance, which is advantageous to both us and the Americans. The money will effectively be spent to support U.S. businessmen who invest money in Russia.

[D.R.] The Russian president was asked in the United States whether Russia will veto the lifting of the embargo on arms sales to the Bosnian Muslims. Yeltsin avoided a clear answer, saying that the issue will arise only in six months' time, and "in six months we will see..." What does this mean?

[Kozyrev] We have taken the urgency out of this matter. But generally speaking, the lifting of the embargo on arms sales is a last-resort measure. In the United States, a stereotype has emerged that all Serbs are villains. I have tried to convince Secretary of State Christopher that the Americans should start the process of lifting economic sanctions from Belgrade, as Belgrade is taking steps to accept the peace plan. In the current conditions it is necessary to support Milosevic: if the opposition—"the party of war"—comes to power in Serbia tomorrow, a full-scale war will break out in the Balkans and no NATO air strikes will help solve anything. Bomb attacks create a threat to the UN contingent of peacekeeping ground forces. Of course, the United States does not have ground forces there, but we, the French, and the British do. So, the Europeans share our anxieties: NATO air strikes make the peacekeepers targets of revenge attacks.

Lifting the embargo would give the war a different scenario. The peacekeepers will have to be immediately withdrawn from the conflict area, and diplomats will have to abandon the last hope for a peaceful solution to the crisis. This step will effectively imply: Let them fight to the last Serb and the last Bosnian. This is the reason for which we are trying to explain to our American counterparts that the lifting of the embargo is no longer a diplomatic step. And I am getting the impression that the course of the U.S. Administration is gradually beginning to change.

Bosnia Shows Clinton Mastering 'Art of the Possible'

MM0510153594 Moscow KOMSOMOLSKAYA PRAVDA in Russian 5 Oct 94 p 6

[Report by correspondent Sergey Ivanov under the "Balkans" rubric: "Bosnians Go Off to Military Training School?"]

[FBIS Translated Text] New York—If politics is the art of the possible, then Clinton has clearly understood that there is no alternative. It is hardly advisable in today's

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

conditions to dispatch Jimmy Carter on a peacemaking mission to Bosnia in order once again to hand the winner's laurels to a retired president. It is impossible to put forward in the UN Security Council the proposal on lifting the embargo on the supply of weapons to the Bosnian Muslims which the U.S. Congress was promised by the president. If this did happen, the result of the vote in the UN Security Council on 15 October would be approximately as follows: Three permanent members (Russia, Britain, and France) would be against, China would traditionally abstain, and the United States would suffer a crushing defeat.

It is dangerous to suffer failures on the eve of midterm elections to Congress. You can't on the same day restore democracy in Haiti and propose opening the floodgates for weapons to flow into a dangerous region in the Balkans.

There was another idea, namely that the United States lift the embargo unilaterally by 15 November. But they fudged that, realizing that you can't lift sanctions on your own now—the example could be followed by others.

At this moment Bosnian President Alija Izetbegovic appeared on the UN General Assembly stage and made his own proposal, out of the blue, as it were, that examination of the question of the embargo be deferred for six months. The sigh of relief following these words was considerably louder in the United Nations than in the U.S. State Department. How did the "Izetbegovic initiative" become possible today after three years of insistent Bosnian demands for weapons to be sent?

It is clear that the wise political decision arrived in Sarajevo from friendly Washington through diplomatic channels. It was explained to the official government of Bosnia that even after receiving American military hardware time would be needed to master it. Protesting the supply of weapons, thousands of British and French peacemakers would meanwhile quit the country, while the Serbs would mount a massive counterattack. In general, the prospects were painted in pretty grim terms.

To prevent voters seeing the administration's deft foreign policy move and the "Izetbegovic compromise" as a sign of weakness, Secretary of Defense William Perry played the hawk in Spain. After a "successful" NATO air attack on an ancient, empty Bosnian Serb tank Perry urged that matters be taken further: "It is essential to make it known that those who violate the rules set by NATO will have to pay a high price."

Whatever critics may say about the weakness of the present administration's foreign policy course, the facts are there to see: When the crunch comes Clinton will find a solution whereby one side remains safe while those craving blood do not lose out either. It seems that Clinton has, after all, started to master the art of the possible.

Border Guards Sink Japanese Fishing Vessel

LD0610051394 Moscow ITAR-TASS World Service in Russian 0335 GMT 6 Oct 94

[By ITAR-TASS correspondent Larisa Beloivan]

[FBIS Translated Text] Vladivostok, 6 Oct—Late Wednesday night, a Japanese poaching schooner was sunk by Russian border guards in the area near the South Kurils.

The fishing schooner "Ikhoray Maru," which had violated Russia's sea border, penetrated into territorial waters to a distance of 35 cable-lengths. In an attempt to detain the vessel, the coast guard ship fired warning shots. The schooner did not react to the warning. When they had exhausted all the measures they could take, the border guards opened fire to hit the target. The schooner was penetrated.

The inspection group discovered 500 kg of crabs in pots on board the "Ikhoray Maru."

The coast guards did everything they could to save the schooner, but they could not, due to the rough sea. They managed to take the crew off the sinking vessel as well, as the navigation equipment and documentation.

According to the information received by ITAR-TASS at the directorate of the Pacific border district, none of the three crew members of the "Ikhoray Maru" was hurt. The Japanese fishermen were taken to the town of Malokurilsk by the coast guards, where an investigation into the incident is being conducted. Asai Yuychi, the captain of the schooner, has signed a protocol on illegal fishing. The detained fishermen have no complaints to make against the border guards.

Foreign Ministry Sends Protest

LD0510181394 Moscow ITAR-TASS in English 1748 GMT 5 Oct 94

[By ITAR-TASS diplomatic correspondent Andrey Bychkov]

[FBIS Transcribed Text] Moscow October 5 TASS—The Russian Foreign Ministry sent a note of protest to the Japanese Embassy in Moscow on Wednesday in connection with Japanese fishermen's illegal actions in Russia's territorial waters.

In the note, the ministry stressed the "inadmissibility of violations of the Russian state border by Japanese fishing vessels and poaching in Russian territorial waters."

The move followed an incident involving a Japanese schooner that was detained near the Russian island of Shikotan last night. A Russian Coast Guard ship opened fire on the schooner, Horai Maru No. 68, which was poaching fish in Russian territorial waters. The schooner sank, but none of its crew members was injured.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Earlier today, the Japanese Foreign Ministry presented the Russian ambassador in Tokyo with a note voicing protest and inquiring about the fate of the schooner crew.

A high-ranking Japanese Foreign Ministry official, Issei Nomura, said that the incident coincided with the peak of an unofficial dialogue between Russia and Japan on fishing around the disputed Kuril Islands and does not help to direct it in a more constructive way.

Japan said responsibility for the incident lies solely on the Russian side. Japanese diplomats in Moscow said today that Russian Coast Guards's actions are "inadmissible from the humanitarian point of view."

However, Nikolay Kudinov, commander of the navy forces of the Russian border troops, believes that Russian Coast Guards acted in strict compliance with the law on the Russian state border. He said 700 foreign fishing boats, the majority of which are Japanese, have intruded Russia's territorial waters this year. But all intruders were promptly detected and driven out of territorial waters. He admitted that in some cases, coast guards had to open fire.

The Russian border will be properly protected, Kudinov stressed. "we have enough strength and means in order to defend our national interests and prevent predatory pillaging of its wealth," he said.

In the past, the Russian Foreign Ministry has rejected several such protests from Japan, emphasizing that Japanese boats were illegally fishing in Russia's territorial waters and that Russian coast guards opened fire in full compliance with the Russian law on the state border.

Zhirinovskiy Departs North Korea

LD0610055894 Moscow ITAR-TASS in English 0528 GMT 6 Oct 94

[By ITAR-TASS corespondent Aleksandr Valiyev]

[FBIS Transcribed Text] Pyongyang October 6 TASS—The forty- strong delegation from the Liberal Democratic Party of Russia [LDPR] led by its chairman Vladimir Zhirinovskiy left North Korea after a three-day visit aboard a charter flight of the "Eagle-Avia" airline.

During the visit, delegation members held talks with secretary of the Central Committee of the Korean Workers' Party Hwang Jang-ob and met with chairman of the National Assembly Yang Hyong-sop.

Both sides expressed the desire to develop into parliamentary and interparty ties. The local media said nothing about the expected meeting between Vladimir Zhirinovskiy and Kim Jong-il, the son and official successor to the late president Kim Il-sung.

Today's newspapers only reported that the chairman of the Liberal Democratic Party of Russia handed over to Hwang Jung-ob a present for the North Korean leader.

Judging by the coverage of the LDPR visit by the North Korean mass media, official Pyongyang showed considerable interest in the visit and intends to maintain contacts with representatives of the Russian opposition.

Venezuelan Energy Minister Visits Russia

MM0510160394 Moscow ROSSIYSKIYE VESTI in Russian 5 Oct 94 p 3

[Unattributed report: "Venezuelan Minister's Visit"]

[FBIS Translated Text] Erwin Arrieta, Venezuelan minister of energy and mines, is in Russia. His visit was prepared with the participation of the Russian Federation Ministry of Fuel and Energy and the Russian Foreign Ministry.

As we know, Venezuela is one of the biggest producers of oil and ranks fifth in the world for oil extraction (about 130 million tonnes a year).

Erwin Arrieta met with representatives of Russia's largest oil companies and visited Siberian oil deposits.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Political Issues

Yeltsin Sends Message to Parliament

LD0510173294 Moscow INTERFAX in English 1600 GMT 5 Oct 94

[From the "Presidential Bulletin" feature No. 193 (683): Compiled by Nikolay Zherebtsov, Andrey Petrovskiy; Edited by Vladimir Shishlin]

[FBIS Transcribed Text] President Boris Yeltsin has sent a message to both houses of the Federal Assembly on the opening of the autumn session.

He is satisfied that "numerous pessimistic forecasts made at the beginning of the year about the impossibility of normal interaction between the legislative and executive branches of power in Russia have not come true and we have managed despite the existing objective difficulties to organize the process of law-making".

In Yeltsin's opinion, during the past half a year several cardinal changes took place that radically affected the political situation and promoted the appearance of the first signs of general stabilization. First of all a constructive dialogue was established between different branches of power. Much work was done to organize the interaction of the president and government, on the one hand, and the two houses of the Federal Assembly, on the other.

The message circulated by the presidential press service says that the Federation Council and State Duma have developed into full- fledged constitutional bodies. They passed a number of important laws. Presidential structures, members of the Federal Assembly and government have drafted a weighty package of legislative proposals.

The main thing now, according to the president, is to jointly define the priority laws, laws affecting economy and the social sphere. The formation of the state system should be completed by the adoption of constitutional laws.

"Together we are responsible to our voters for keeping the present stability in the country without which constructive efforts would be impossible," the message stressed.

State Duma speaker Ivan Rybkin, who opened the session, said that contradictions among between forces in the country had not eased, but mechanisms were already in place for resolving disputes through dialogue. He said consultations on the eve of the State Duma's autumn session were indicative of that.

Rybkin said he was certain that law-making, and not political battles wwould be central to the State Duma's activities.

He recalled that the house hoped to receive shortly the government's drafts of the federal budget, new tax code and economic program for 1995-1997.

The State Duma plans to examine 264 bills in the autumn session. Before the session ends on December 25 four laws are to be passed after a third reading, 40 after the second reading and 61 after the first reading. The other bills will continue to be finalized by parliamentary committees and factions. On the list of top priorities the State Duma will look into eight bills on amendments to the current tax legislation, as well as bills on joint stock companies and securities' markets. Two federal laws are going to be adopted - on the human rights commissioner and on the government of the Russian Federation.

The Federation Council at its first session Wednesday decided to hear a government report on progress in the carrying out of the 1994 state budget, to include a report on progress with resolving the insolvency crisis.

Top on the agenda of the 10th session of the upper house of parliament is the situation in Chechnya, which, according to the Speaker Vladimir Shumeyko, will be presented by the Deputy Russian Premier Sergey Shakhray.

The Defense and Security Committee was assigned to account for Russia's military presence abroad at the next Federation Council's session, scheduled for October 25.

The other major agenda issues are presidential decrees on the extension of the state of emergency in the zone of Ossetian conflict, appointment of Russian Supreme Court judges and the ratification of a Russian-Kazakh agreement on terms for the use of the Baykonur space center.

Deputy Urges Commission To Probe Yeltsin's Health

LD0510130294 Moscow ITAR-TASS in English 1201 GMT 5 Oct 94

[By ITAR-TASS correspondent Pavel Kuznetsov]

[FBIS Transcribed Text] Moscow October 5 TASS—A high ranking Russian parliamentarian urged today that a special "supreme medical commission" be formed including independent foreign experts to probe into the state of health of the Russian president.

Chairman of the Duma Security Committee Viktor Ilyukhin told the sitting of the lower house of the Russian legislature that Boris Yeltsin's behaviour during his latest visits to Germany, the USA and Ireland testifies that "he is seriously suffering from alcoholism and is incapable to govern the state". Ilyukhin called Yeltsin's behaviour "extremely disgraceful for the Russian nation".

Zhirinovskiy Predicts Leadership Change

LD0610111394 Moscow ITAR-TASS World Service in Russian 1015 GMT 6 Oct 94

[By ITAR-TASS correspondent Petr Tsyrendorzhiyev]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[FBIS Translated Text] Ulan-Ude, 6 Oct—A complete change of the Russian leadership will take place this winter or next spring, Vladimir Zhirinovskiy, the LDPR [Liberal Democratic Party of Russia] leader stated. Today he arrived in the capital of Buryatiya to meet electors. He justifies such a categorical conclusion by "people's increasing dissatisfaction."

Zhirinovskiy together with "the landing force" of confederates is touring in a YaK-42 plane belonging to the LDPR. He sees it as not merely a familiarization trip but also an electioneering trip. He is convinced that his party will win both the presidential and parliamentary elections.

Touching on the incident at Kemerovo city airport, where local authorities did not allow the Liberal Democrats' plane to land, he promised "to sort" them out. He stated to journalists that he "had black listed" the head of the Kuzbass administration, as well as the mayor of St. Petersburg and the governor of Nizhniy Novgorod.

After an improvised news conference at the airport, Zhirinovskiy delivered a 10-minute speech at one of the city's squares and left for the television studio for television debates.

Filatov Views Social Accord Treaty

MM0610095794 Moscow ROSSIYSKIYE VESTI in Russian 5 Oct 94 pp 1-2

[Article by Sergey Filatov: "Alliance of Constructive Forces Will Help Establish Stable Democracy"]

[FBIS Translated Text] To ensure that democracy is viable and stable many conditions are needed. The most important include the presence of a reliable legal system enabling the effective operation of the "private competition" mechanism in the economy and politics; the existence of a system of effective mechanisms and procedures, not prescribed in laws but accepted by society, for coordinating interests and resolving social conflicts; and a consistently low level of political and social tension in society.

In Russia today these conditions exist in embryo only. The social accord treaty is a voluntary alliance of all constructive forces of society aimed at creating and maintaining the most important conditions for establishing stable democracy and should in many ways fill the gaps in the legal system.

On Main Avenues in the Activity To Implement the Social Accord Treaty

A most important avenue of the work of all state structures is **the creation of the legal system of a democratic society.** In elaborating plans for legislative initiatives by the president and Government the following are defined as priorities:

laws on organs of federal power and the legal system (package of electoral laws, laws on referendum, on political parties, jurisprudence, and the Russian Federation Prosecutor's Office);

laws on regulating economic relations (the tax, civil, land, water, and trading codes);

legislation regulating relations between the center and the regions, local self management (laws on the principles of the demarcation of subjects of management and the delegation of powers between federal organs of state power and organs of power of the components of the Russian Federation, on the general principles of organizing representative and executive organs of power of the components of the Russian Federation, and on general principles for organizing local self management and at regional level statues and constitutions of the Russian Federation components);

The second avenue is **the formation of a system of mechanisms and procedures for coordinating interests and resolving conflicts between different social forces.** At federal level a conciliation commission has been created and is operating to implement the provisions of the treaty and within the Public Chamber five commissions have been created for avenues of the treaty. There are five "roundtables" in operation which discuss the most important political and socioeconomic problems.

A draft law is being prepared with whose adoption the Public Chamber should become an organ for coordinating draft laws before they are submitted to the State Duma. Following the example of several countries it is planned to make the Public Chamber the center for the examination and discussion of draft laws concerning the professional interests of various social groups.

The participants in the treaty approved the conciliation commission's initiative to hold an assembly of the treaty's signatories in October 1994.

The idea of signing republican, oblast, and kray accord treaties is spreading at regional level. At the initiative of governors and local dumas Public Chambers are being actively created in the components of the Russian Federation.

On Measures To Stabilize the Economy, Reduce Tension in Society, and Lower the Social Price of Transformations

In the economic sphere. The government controls the level of inflation. In August it was 4 percent and was the lowest since early 1992. In September it is expected to increase somewhat to 6 percent.

Work is under way to improve the investment climate in Russia. Presidential edicts have been published creating conditions for attracting private investments to "growth spots."

In the social sphere. We are not succeeding in coping swiftly with the problem of wages debts. A decision has

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

been made to extinguish these debts by the end of the year, so far only for the social sphere, the army, and the Internal Affairs Ministry.

But wages arrears can be explained only in part by budget debts. They are linked to a greater extent to the crisis of sales and nonpayments. The government commission headed by Government Deputy Chairman Oleg Soskovets is now working on the nonpayments problem.

A government directive has been published on the use of currency reserves to extinguish debts involving wages, grants, and pensions. A telegram has been sent to the regions from the Ministry of Finance and the Central Bank on leaving 30 percent of tax revenue in the accounts of enterprises for the prompt payment of wages.

We have managed to achieve a certain reduction in the disparity of incomes among the population. An increase in savings is being observed.

The president's edicts on housing certificates and housing credits will promote the solution of the housing problem.

A presidential edict has confirmed Russians' right to free education.

On the Development of the Regions

Right now the danger of the collapse of Russian statehood has passed.

The practice of concluding bilateral talks on friendship and cooperation between different components of the Federation, promoting the solution of vexed issues between the regions, is becoming increasingly widespread.

The development of the conceptual foundations of federal measure to render aid to depressed regions is being completed. Next in line is the elaboration of similar documents for the so-called locomotive regions. By the end of this year this work will acquire the outlines of a draft law and draft presidential edicts or government decrees.

On Objective and Subjective Factors Complicating the Implementation of the provisions of the Treaty on Social Accord

The main objective factors complicating work to implement the treaty lie in the long-term nature of virtually all the basic problems facing the country: economic, political, social, legal, and so forth. The measures which are being taken, even if they were ideal, cannot produce a rapid effect. That is the main feature of the transitional period. The problems which have accumulated over many decades cannot be resolved in two or three years or even five years.

Subjective difficulties include the activity of the intransigent opposition: the collection of signatures among the population in support of a referendum on early presidential elections, demarches in parliament, and the preparation of the relevant legislative base. In the State Duma the opposition has formed a broad bloc ready to pass a vote of no confidence in the government. The organization of a vote of no confidence has been planned for the start of the State Duma's work in October 1994. In the same month it is planned to hold a "nationwide congress of patriotic forces" to create a state council and "shadow cabinet" of the opposition.

The position of a number of organizations and politicians who have acceded to the treaty reduces the effectiveness of the conciliation process.

Some of them are using the fact of their participation in the conciliation process as a means of putting pressure on the president and government to lobby for narrow group and personal interests. S. Glazyev, one of the members of the Democratic Party of Russia faction who signed the social accord treaty, is taking an active part in organizing the "overthrow" of the present Russian Government. In particular he took part in the third congress of the Federation of Commodity Producers in Cheboksary, whose chairman, Yu. Skokov, stated yet again that the social accord treaty "is impracticable since it was concluded in the upper echelons and has no social context." V. Zhirinovskiy, stressing his party's allegiance to the Constitution and being a member of the treaty, during his "Volga trip" repeatedly stated the need for early presidential elections and his intention to withdraw from the treaty unless the government "changes its course."

The question of removing their signatures was raised by the Perm Oblast administration, the Federation of Independent Trade Unions of Russia, and the Association of Defense Industry Trade Unions.

On the Importance of the Social Accord Treaty

The structures of the treaty, for all their shortcomings, are the only social institutions which can ensure regularly, truly representative collaboration among such a broad spectrum of social forces. Figuratively speaking, the treaty on social accord is Russia's largest "breeding station" for breeding elements of a civil society.

The treaty is the most representative of the channels existing in Russia for nonparliamentary and nonadministrative dialogue between social forces and the authorities.

The potential in the treaty is very great. The problem is to learn to make effective use of it.

Edict on Consolidating Executive Power

MM0510150594 Moscow ROSSIYSKIYE VESTI in Russian 5 Oct 94 p 1

[Russian Federation President's edict "On Measures To Consolidate Unified System of Executive Power in the Russian Federation"]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[FBIS Translated Text] With a view to consolidating the system of executive power and its ability to implement socioeconomic transformations to lead the country out of crisis, to pursue an effective regional policy, to protect human and civil rights and freedoms, and to struggle against crime:

in the future until the adoption of federal laws and laws of the components of the Russian Federation determining the mechanisms for implementing article 77 of the Russian Federation Constitution and the principles and procedure for forming organs of state power of the components of the Russian Federation,

guided by articles 5 and 80 of the Russian Federation Constitution, I decree:

1. That the heads of executive power of the Russian Federation components, irrespective of whether they were appointed or elected, have the powers approved by the Russian Federation Constitution and the federal laws, edicts, and directives of the Russian Federation president and decrees and directives of the Russian Federation Government, agreements with federal organs of executive power, and statutes and laws of the Russian Federation Components and bear equal responsibility for the implementation of these powers.

2. That the appointment and release of the heads of administrations of krays, oblasts, cities of federal importance, the autonomous oblast, and the autonomous okrugs and the application of disciplinary measures against them are implemented by edicts of the Russian Federation president upon submission from the Russian Federation Government chairman.

The question of the scheduling of elections of the head of administration of a kray, oblast, city of federal importance, the autonomous oblast, and an autonomous okrug until a different procedure is put in place by federal legislation is resolved by the Russian Federation president.

3. That the attached statute on the administration head of the kray, oblast, city of federal importance, autonomous oblast, and autonomous okrug of the Russian Federation be approved.

4. That the following be deemed no longer valid:

point 4 (excluding the final paragraph) of the RSFSR [Russian Soviet Federated Socialist Republic] president's 22 August 1991 edict no. 75 "on some questions of the activity of organs of executive power in the RSFSR" (records of the RSFSR Congress of People's Deputies and RSFSR Supreme Soviet 1991 no. 34, p 1146);

the RSFSR president's 25 November 1991 edict no. 239 "on the procedure for appointing administration heads" (records of the RSFSR Congress of People's Deputies and RSFSR Supreme Soviet 1991 no. 48 p 1577);

the Russian Federation president's 10 September 1992 edict no. 1070 "on the introduction of changes to the RSFSR president's 25 November 1991 edict no. 239 'on the procedure for appointing administration heads'" (records of the RSFSR Congress of People's Deputies and RSFSR Supreme Soviet 1992 no. 37 p 2138).

The Russian Federation president's 23 August 1993 edict no. 1313 "on additional measures for the legal and social protection of the heads of executive power of the components of the Russian Federation" (anthology of acts of the Russian Federation president and Government 1993 no. 41, 3918).

5. That the Russian Federation Government be asked to bring its decrees and directives and other acts of federal organs of executive power into line with this edict.

6. That this edict enters into force on the day it is signed.

Edict on ROSSIYSKIYE VESTI Cofoundership

MM0510135794 Moscow ROSSIYSKAYA GAZETA in Russian 5 Oct 94 First Edition p 1

[Russian Federation Presidential Directive No. 499-d, signed by President Yeltsin and dated 3 October: "On the Newspaper ROSSIYSKIYE VESTI"]

[FBIS Translated Text] 1. The ROSSIYSKIYE VESTI Editorial Board initiative to act as cofounder of ROSSIYSKIYE VESTI in conjunction with the Russian Federation Presidential Staff is approved.

2. The Russian Federation Presidential Staff is to be cofounder of ROSSIYSKIYE VESTI.

3. The Russian Committee for the Press is to reregister ROSSIYSKIYE VESTI in accordance with Russian Federation legislation.

4. The leader of the Russian Federation Presidential Staff is to resolve under the established procedure the issue of medical services and social and consumer provision for ROSSIYSKIYE VESTI Editorial Office leaders and staff.

[Signed] Russian Federation President B. Yeltsin
[Dated]3 October 1994
No. 499-d

Presidential Staff Takes Over

MM0410142794 Moscow ROSSIYSKAYA GAZETA in Russian 4 Oct 94 First Edition p 1

[Directive No. 1559-r of the Russian Federation Government signed by V. Chernomyrdin, chairman of the Russian Federation Government, and dated 28 September 1994]

[FBIS Translated Text] 1. By agreement with the Russian Federation Presidential Staff and in connection with the appeal from the journalist collective of the ROSSIYSKIYE VESTI Editorial Office the functions of

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

ROSSIYSKIYE VESTI founder, performed by the Government of the Russian Federation, shall be transferred to the Russian Federation Presidential Staff.

2. In connection with the change of founder the Russian Committee for the Press shall be instructed, in accordance with prescribed procedure, to reregister the newspaper ROSSIYSKIYE VESTI.

[Signed] V. Chernomyrdin, chairman of the Russian Federation Government
[Dated] Moscow, 28 September 1994.

Economic Issues

Government Statement on Foreign Debts

MM0310155394 Moscow ROSSIYSKAYA GAZETA in Russian 1 Oct 94 p 4

[Russian Federation Government statement: "On the Reformulating of the Former USSR's Commercial Debts to Foreign Creditors"]

[FBIS Translated Text] With a view to streamlining its relations with the former USSR's commercial creditors, the Russian Federation Government states the following.

1. The Russian Federation Government is prepared to assume legal responsibility for the former USSR's commercial debts defined by Paragraph 6 of this statement, on instruments issued by the former USSR Government, other organs, and legal persons acting on its instructions, under the conditions set out below.

2. This statement defines the general approaches toward the reformulation of the former USSR's commercial debts on the principle of equal treatment for all holders of the former USSR's commercial debt instruments in different countries.

3. In line with this statement, commercial debts will be regulated on terms comparable to the terms of already concluded and future agreements on the reformulation of official and interbank debts. In the event of any alteration to the terms of these agreements, the terms governing the reformulation of commercial debts may also be altered.

4. In accordance with this statement, all the former USSR's commercial debts—including debts which have passed or have yet to reach their due repayment date, with the exception of debts due to be settled under already concluded and future agreements within the framework of the Paris Club of the former USSR's official creditors or the London Club of the former USSR's financial creditors—are to be reformulated, as are the former USSR's debts to other official creditors.

5. The Russian Federation Ministry of Finance is authorized, acting on behalf of the Russian Federation Government, to issue registrable bills of exchange in place of the commercial debts due for settlement in accordance with this statement to holders of the former USSR's commercial debt instruments, irrespective of their location

5.1. Registrable bills of exchange will be issued to any holder of the former USSR's commercial debt instruments provided the following conditions are met:

5.1.1. A preliminary verification is carried out by the Bank for Foreign Economic Activity [Vneshekonombank] in conjunction with the Russian Federation Ministry of Foreign Economic Relations of the total amount covered by these instruments;

5.1.2. The holders of these instruments waive any claim which they might have had on the former USSR's commercial debts.

The issuing of registrable bills of exchange may also be contingent on other requirements to be defined by the Russian Federation Government.

5.2. The registrable bills of exchange may be issued in one or several series depending on the different redemption dates of the former USSR's commercial debts.

5.3. The registrable bills of exchange will be issued in U.S. dollars, as well as in other currencies with the consent of the Russian Federation Government. If any registrable bills of exchange are issued in currencies other than U.S. dollars, the coupon will be altered accordingly.

5.4. The practical activity to reformulate the former USSR's commercial debts will involve the clubs of commercial creditors of the former USSR that exist in different countries.

5.5. The terms on which the registrable bills of exchange will be issued will be laid down by the Russian Federation Government and published in ROSSIYSKAYA GAZETA.

6. The term "the former USSR's commercial debts" means the bonds listed below in the amounts assumed or guaranteed by duly authorized legal persons in respect of foreign suppliers or their financial intermediaries in connection with the delivery of goods or the provision of services from abroad under short-term contracts concluded prior to 4 January 1992 inclusive, and medium-term contracts concluded prior to 31 December 1991 inclusive, namely:

6.1. Commercial debts arising and unconditionally due for repayment in the period prior to 28 October 1991 inclusive, irrespective of the republic of the former USSR to which goods were supplied or services provided;

6.2. Commercial debts arising and unconditionally due for repayment in the period after 28 October 1991 in respect of goods supplied or services provided on Russian Federation territory;

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

6.3. Commercial debts arising and unconditionally due for repayment in the period between 28 October 1991 and 31 March 1993 in respect of goods supplied or services provided outside Russian Federation territory (to other states of the former USSR).

6.4. The former USSR's commercial debts include:

6.4.1. Contracts with deferred payment;

6.4.2. Short-term or medium-term commercial credits backed by drafts and bills of exchange [podtverzhdennyye trattami i vekselyami];

6.4.3. Drafts and bills of exchange payable on demand;

6.4.4. Revocable and irrevocable letters of credit, including letters of credit with deferred payment;

6.4.5. Commercial paper [inkasso];

6.4.6. Other commercial instruments which may be included by the Russian Federation Government for settlement in accordance with this statement.

7. Duly authorized legal persons means the governments of the former USSR and the former RSFSR, the USSR Vneshekonombank, and other organs and legal persons duly authorized to borrow funds and conclude contracts for the delivery of goods and the provision of services on those governments' instructions.

Finance Minister Sees Positive Developments

MM0410134594 Moscow KOMSOMOLSKAYA PRAVDA in Russian 27 Sep 94

[Article by Acting Finance Minister Sergey Dubinin under "Direct Speech" rubric: "We Have Entered Calm Waters"—from p 3 of the DELOVOY VTORNIK section]

[FBIS Translated Text] In 1994 the Russian economy has been experiencing a most difficult period—a period associated with recovering from the inflationary illness which afflicted us in the early nineties. We have still been unable to recover from what we experienced then, although the first real signs of recovery have now appeared and we have managed to achieve specific results. The reduction in the rate of price increases is not only important in itself—the fact that this has led to a change in the financial situation in the economy as a whole is important. The conditions allowing money to be saved in the economy have been formed. In formal economic language, a positive interest rate on deposits at credit institutions has formed—it has become possible to invest money. Of course, we are not talking about investing on a long-term basis, but for a year or two it is already entirely sensible. Consequently resources can be invested not only in trade but also in production. Our task is to maintain the stable investment-favorable situation that has developed and to prevent a new burst of inflation. We will continue to work within the framework of the approved budget, with the same credit volumes. We are confident that this will make it possible to restrain inflation within the maximum 6 percent per month. These forecasts are realistic through the end of the year, and in 1995 we hope that inflation will gradually fall: It will average no more than 5 percent per month, and by the end of the year no more than 2-3 percent.

As regards the decline in production, in 1994 its level proved to be considerably higher than forecasts had expected. Moreover, this process began literally from 1 January 1994. By then a shocking figure had already appeared—minus 24 percent of the volume of production in terms of the previous January's indicators. We simply failed to correct this slump. At that time the situation was being shaken up more by subjectively political aspects (a number of government figures were replaced). All this produced fairly complex conditions for the economy's development in 1994 as a whole. But since the beginning of the year the production slump has not worsened. We are now living practically with the same 24 percent. My personal belief is that we have started to bottom out. For 1995 the Economy Ministry forecasts a further slump in industrial production, but it will be of a structural nature. This reduction in 1995 could be up to 7 percent compared with this year. We are convinced that by the end of 1995 we will have started to increase production, provided that a sensible financial policy is pursued.

We are now living in a period of relative stability. But this is a very dangerous period: There is a temptation to force events—by pumping money into everything and anything and handing out money with the aim of supposedly increasing production. But this is a delusion: High inflation will not save us from the production slump. There is no alternative to the policy we are pursuing: Production cannot be stabilized with the aid of inflation, even if some people do not like this. The forecast in this respect is as follows: Further structural changes in the economy, an upturn in some sectors, and, unfortunately, stagnation in others. But, I want to stress, against the background of the emerging process of increasing private investment, including foreign investment, in the country.

Lately the question of the need for a separate government policy in relation to commodity producers has been vigorously discussed. In this case, with whom are commodity producers being contrasted? The worker who sells his labor as a commodity? He is also a commodity producer. The artificial counterposing of commodity producers and merchants displays ignorance. The fact that the service sector, including trade, is now growing in this country is a normal, healthy trend. In all developed market countries up to 60 percent of gross product is produced in the service sector. Thus, counterposing the producer and the trader is a purely political slogan.

In my view it is also inappropriate to contrast our own commodity producer with the foreign investor. Of

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

course, the state must help our industry, agriculture, and trade—these are our unconditional priorities. But this does not mean that international economic ties must be hindered. For a long time we avoided introducing advantages for foreign investors, although everyone around us (both the "near abroad" and East Europe) has done so. The government and the Central Bank are now pursuing quite a tough line in relation to the arrival of foreign financial institutions. Customs policy is also aimed at protectionism in relation to our commodity producers. But at the same time we must not allow the Russian economy to be isolated in a kind of autarkic environment like the former USSR. We are in favor of competition between our commodities and foreign commodities, but it is better that foreign capital investment comes here.

There are many questions regarding the existing tax system. We believe that there is no point in radically abolishing it—it merely needs to be improved. We are proposing to abolish the special 3-percent tax, which was supplementary to value-added tax. We propose to increase the volume of wages included in cost price for purposes of calculating profit to eight times the minimum wage. In this way the base for calculating tax on an above-norm wages fund will be changed. This is effectively a discount on the profits tax, and quite a substantial one at that. The proposal to introduce an additional 5-percent federal income tax is also an important aspect. It will apply only to the well-off and moderately well-off sections of the population. An increase in the nontaxable minimum is envisaged for the less-well-off section.

Changing the nature of mutual relationships between the federal budget and federation components' budgets is vital in implementing tax reform. In 1994 federation components had complete freedom to impose their own local taxes. They could not abolish federal taxes but could impose additional taxes on their own territory. But a majority in the commission on taxes concluded that a kind of "menu" of taxes is needed, from which a federation component would choose an additional tax to its taste. One thing is indisputable. A local administration cannot, as before, be left to solve this question. This was supported by both State Duma deputies and our entrepreneurs. I believe this is a sensible compromise.

Many people's attention is currently riveted on the situation in the money market. The other day, following the long process of stable change in the ruble-dollar rate, there was a kind of blip. This situation is unfavorable: When the change in the rate becomes unpredictable, it becomes difficult to work with currency. In my view the government and Central Bank acted absolutely correctly by ensuring a smooth change in the rate. The rate changed at approximately the same rate and in approximately the same direction as the inflationary increase in prices. The appearance of seasonal money in the economy in summer, above all in the sphere of the federal budget, simply led to the fact that there was a substantial increase in demand for dollars from corporate bodies. There was also additional demand for dollars from physical persons—through the banks this was transformed into demand in the money market. I am confident that in the future a change in the rate will nonetheless take place in line with a change in price increases. But there is also reverse dependence here: A significant fall in the ruble-dollar rate will accelerate inflation. We do not foresee a significant fall in the rate in the future. I am confident that, following this small crisis, we will enter calm waters and will have a change of rate in line with overall price dynamics.

As regards our economy as a whole, I believe our main problem is the problem of a stable financial policy. We must create the conditions for the population to invest money without fear: in goods, in production, and at the savings bank. Today the main social problem is to ensure that society can save and invest instead of being impoverished by hyperinflation.

Edict Revises Duties on Debt, Property Suits

MM0510104994 Moscow ROSSIYSKAYA GAZETA in Russian 1 Oct 94 p 5

[Report by Tatyana Kharlamova under "Official Record: Preface to Events" rubric: "The Sentence—Pay Up"]

[FBIS Translated Text] To guarantee the conditions for judicial protection for citizens and enterprises and the full payment of state duties into the budget—this is the objective of a new presidential edict.

The nonpayments crisis in the country has reached its apogee. Enterprises are bogged down in debts to each other and to the state. In order to break this vicious circle, the president tells the government to submit the draft law "On State Duty" to the Federal Assembly State Duma for urgent consideration.

The president's edict prescribes new tariffs for state duties until the law is adopted.

Previously, Raisa Nevridimova, assistant to the chairman of the Moscow Court of Arbitration, comments, many people decided against recovering debts from their partners through the court because of the high state duties. Now that the tariffs have been revised, the situation might change. The court is currently considering up to 6,000 suits every month. I think that work will increase in the future.

The state duty for resolving a property dispute was 10 percent of the amount of the suit. That is, if you were owed 10 billion rubles [R] and you decided to recover it through the court, previously you had to pay R1 billion. But nobody can guarantee that you will win. Obviously there are few people wishing to risk a billion.

A differentiated approach toward property suits has been introduced. For example, for a suit of up to R10

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

million the state duty is 5 percent, above R1 billion it is R16.3 million plus 0.5 percent of the amount of the suit.

The amounts of state duty have also been set for suits regarding disputes arising when contracts are concluded and terminated and when enterprises are declared bankrupt. In these cases 20 times the minimum wage must be deposited when applying to the court.

Time will tell whether the new law will introduce discipline into enterprises' financial activity and pave the way for the elimination of nonpayments.

Poor Grain Harvest Predicted

LD0610102494 Moscow ITAR-TASS in English 0847 GMT 6 Oct 94

[By ITAR-TASS analyst Mikhail Krushinskiy]

[FBIS Transcribed Text] Moscow October 6 TASS - Purchases of this year's grain for the Russian federal and regional funds are proceeding much slower than last year. Only 7.6 million [metric] tonnes of grain had been purchased by October 3 as compared to 23 millions in the corresponding period of 1993. Andrey Sizov, head of the "Sovekon" analytic centre, who disclosed these figures to ITAR- TASS, is more alarmed by the slow pace of purchases than by the poor grain harvest, which is the lowest in the past decade.

According to Sizov, federal and regional purchases are badly in need of money and the farmers are in no haste to sell their grain, expecting better offers. It remains to be seen how long this "tug- of-war" will continue, but it is obvious that the consumers will be the first to suffer from it. Not all the regions were as efficient as the government of Moscow, which has already concluded contracts for Krasnodar grain. The Siberians have landed in a particularly difficult predicament. For instance, a loaf of bread is expected to cost there 100 per cent more this winter—approximately 1,200 rubles. Grain had been harvested only from sixty per cent of the crop area in the region by the end of September. This means that it will have to be bought from the neighbouring Omsk and Kurgan regions.

The "Sovekon" chief described Vice-Premier Aleksandr Zaveryukha's recent statement that a part of this year's harvest would not be harvested before snowfall and would therefore be lost as an extremely strange prediction. "Didn't Mr. Zaveryukha assure the Russians this September that we shall all be provided with bread this year and no imported grain would be needed? Wasn't it clear already then that a very difficult situation was shaping up. Financial difficulties and unfavourable weather had combined to unfavourably affect the production of both winter and spring crops," Sizov stated. In his opinion, the country will be able to garner this year at the most 80-82 tonnes of grain net. For the sake of comparison, he said that the 1993 harvest amounted to 99 million tonnes, the 1992 harvest—to 107 million tonnes, and the 1991 harvest—to 89 million tonnes. The average harvest for the period from 1986 to 1990 equalled to 104 million tonnes, and for the period from 1981 to 1985—to 92 million tonnes.

"Everything would have been much easier if the government had pursued a properly thought out policy of providing the population with bread," Sizov believes. "But the authorities have still not decided what they prefer: to purchase Russian grain or to import cereals. In the first case it should urgently allocate additional money to procurement organisations, and in the second—immediately conclude contracts with foreign grain exporters. Attempts to manoeuvre, expecting everything to come right by itself, are apt to aggravate the situation," Sizov stated.

Military, Nuclear & Space Issues

Yeltsin Edict on Oct-Dec Military Draft

MM0510151394 Moscow ROSSIYSKAYA GAZETA in Russian 5 Oct 94 First Edition p 1

[Russian Federation Presidential Edict No. 1956 "On the Drafting of Russian Federation Citizens for Military Service in October-December 1994 and on the Discharge from Military Service of Soldiers, Sailors, NCO's, Petty Officers, and Military Construction Workers Who Have Completed Their Draft Service"; signed by President Yeltsin and dated 3 October]

[FBIS Translated Text] In accordance with the Russian Federation laws "On Defense" and "On the Draft and Military Service," I decree that:

1. Russian Federation citizens born between 1967 and 1976, including day students at primary and secondary vocational educational establishments with no right to a deferment—251,600 men—shall be drafted in October-December 1994 for military service in the Russian Federation Armed Forces and other troops and military formations.

2. Soldiers, sailors, NCO's, petty officers, and military construction workers who have completed their draft service shall be discharged from military service in October-December 1994.

3. The Russian Federation Government and executive organs in the republics, krays, oblasts, the cities of Moscow and St. Petersburg, the autonomous oblast, and autonomous okrugs shall ensure that the measures connected with the drafting of citizens for military service are carried out.

4. For official use.

5. The Russian Federation State Committee for Higher Education, the Russian Federation Ministry of Education, and Russian Federation ministries and departments which control primary and secondary vocational educational establishments shall take measures to ensure

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

that students in the higher grades at primary and secondary vocational educational establishments who complete their studies before 1 April 1995 are released before 25 December 1994 in connection with their being drafted.

6. Persons drafted for military service shall be transported, as a rule, in teams in specially chartered [po spetsialnomu raspisaniyu] trains or aircraft (ships).

The Russian Federation Ministry of Railways and the Russian Federation Ministry of Transport shall allocate the necessary rolling stock, aircraft (ships), or seats in passenger cars or on aircraft (ships) upon application from the relevant command, transport the aforesaid persons within the set times ensuring that safety measures are complied with, and produce bills for these shipments under existing mutually agreed tariffs.

7. This edict comes into force from the day it is signed.

[Signed] Russian Federation President B. Yeltsin
[Dated] Moscow, the Kremlin
3 October 1994
No. 1956

Cash Shortage Impacts on Missile Launch Site

MM0410153394 Moscow KRASNAYA ZVEZDA in Russian 4 Oct 94 p 2

[Report by Aleksandr Dolinin: "Capital Construction—Big-Time Political Question"]

[FBIS Translated Text] Strategic Missile Forces—The Strategic Missile Forces Military Council chaired by Colonel General Igor Sergeyev, their commander in chief, has discussed the problems of capital construction. The missile troops' service and everyday life, the quality of combat alerts, and the siting of future groupings will depend on their successful resolution. The military budget has currently received less than a third of the funds it needs, which is having a serious impact on the preparation of combat launch positions for the "Topol" missile system and the modernized Topol M that is scheduled for commissioning. The problem of housing construction for servicemen has also become more acute.

Air Force General Details Tasks of Airborne Troops

LD0610103494 Moscow ITAR-TASS in English 1016 GMT 6 Oct 94

[By ITAR-TASS correspondent]

[FBIS Transcribed Text] Moscow October 6 TASS—"Our airborne troops are the only arm of the service that have to discharge definite combat duties not only in wartime, but in peacetime, too," Commander of the Russian airborne forces Colonel-General Yevgeniy Podkolzin told the Army newspaper "KRASNAYA ZVEZDA". His interview is published in today's issue of the daily.

"These tasks include peace-making and peace-keeping operations, peace-making missions outside Russia in keeping with the country's international commitments; evacuation of Russian citizens, material resources, armaments and combat materiel from zones of natural calamities and ecological disasters both within the country and outside it; delivery of humanitarian aid to the population, etc. Unfortunately, beginning from 1988, that is from the notorious Sumgait events, and until the 1993 North Ossetian conflict, our troops have constantly been operating in combat conditions. Only we are aware of their efforts and losses (about 200 servicemen have lost their lives during this period and more than 500 were wounded). And today soldiers in blue berets can be seen in practically all the 'hot spots' of Russia and outside it. They form living corridor to disengage the conflicting sides.

"I think," Podkolzin said, "that our society has still not realised that the Army, primarily its airborne forces, have saved Russia from a civil war. This refers not only to the events of last October, but even more to the ethnical conflicts that have shocked our country.

"Due to the scanty military budget" the general said, "no new planes are presently being supplied to our military transport aviation, although, in my opinion, we now need such planes much more than strategic bombers. Our airborne forces are also experiencing housing difficulties. This holds true of all our army, of course, but in our case the situation is even worse. Whereas military contonements [as received] are now being built for German marks to accommodate the troops withdrawn from Germany, our troopers were evacuated to absolutely unprepared places... As to the elite nature of our airborne troops, this is remembered only when it is necessary to 'extinguish' a sudden ethnic conflict in this or that part of the country. In short, the state is irredeemably indebted to our troops...

"Our troopers, who are mostly active service soldiers, receive much better training than their American counterparts. They are more professionally skilled than French servicemen from the 11th Airborne Division, which was recently visited by one of our companies, and the German paratroopers from the 1st Division. Our air landing methods also differ...

"I am an ardent advocate of mobile forces, which should include other troops and airborne forces. I have repeatedly stressed my point of view at meetings of the collegium of the Defence Ministry and in the General Staff. At present, an overall programme for training mobile forces is being drawn up and a presidential decree will apparently be issued this year to set up such units within the Russian Armed Forces."

Future of Ground Attack Aircraft Threatened

MM0510102394 Moscow KRASNAYA ZVEZDA in Russian 4 Oct 94 p 2

[Article by Aleksandr Manushkin: "Rook, Thunderbolt, and Other Ground-Attack Aircraft as Means of Battlefield Infantry Support"]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[FBIS Translated Excerpts] This summer I visited a separate ground-attack air regiment currently deployed in Voronezh Oblast. I first met them in Tajikistan, where the pilots—in conjunction with tank, motorized rifle, and artillery subunits of the 201st Division—were helping Russian border guards to prevent violations of the Tajik border. It was there that I saw ground-attack pilots flying Su-25's (an aircraft that has been affectionately known as the "Rook" ever since Afghanistan) in action.

Whatever specialist you talk to about the Su-25 ground-attack aircraft—be it among the men or at the headquarters of front-line aviation—the reaction to this aircraft is highly complimentary. The Rook is maneuverable, easy to fly, has high survivability, and an effective tactical performance....

But I have repeatedly heard the following opinion as well—why should we have ground-attack aircraft anyway? Russia has a defensive military doctrine, and this means that we do not plan to attack anyone, much less fly ground-attack missions against them. I have also heard other arguments—there is no money in the country, and yet we are spending it on aircraft. Incidentally, the latter argument can be heard not just about aircraft but about the Army as a whole. All the problems and economic chaos in the country allegedly stem from the Army. If there were no Army would there be no problems? Indeed, we experienced this situation in the late fifties, when ships and aircraft were being broken up. Then, admittedly, we had a rethink and started "making up for lost time." At the cost of immense physical effort and financial expenditure we spent more than a decade restoring what had been destroyed in the space of two or three years.

The fate of ground-attack aircraft as aircraft in general and as an avenue of aircraft development in particular is somewhat similar to this situation. In the years of aviation development ground-attack aircraft have been through everything—enjoying triumph and world renown as the best and most mass-produced aircraft in the Air Force, while at other times being misunderstood, forgotten, and confronted with a complete rejection of the need for such a class of aircraft at all. [passage omitted]

With the collapse of the Soviet Union the Russian Air Force suffered tangible losses. Not least among its ground-attack aircraft. Three regiments remain in Belorussia [Belarus], some ground-attack aircraft have been privatized by Turkmenia and Uzbekistan, and several aircraft have been unable to leave the Transcaucasus. Moreover, the Tbilisi Aircraft Plant, which produces Su-25 ground-attack aircraft, is now located abroad—as are, incidentally, certain aircraft repair plants. Russia has managed to retain its fleet of ground-attack aircraft with great difficulty. Do we need them? I would start with the fact that the NATO countries have 3,200 aircraft of different classes in the Central European region, more than 2,000 in Southern Europe, and around 1,300 in Northern Europe. If necessary, this grouping could be reinforced by 2,860 U.S. tactical aircraft, including ground-attack aircraft.

Why is this air armada being maintained? Whether we like it or not, the laws of the current world order show that only economically and militarily strong countries currently have real authority or carry any real weight in the world arena. And if Russia does not want to slip into the ranks of third-rate countries, these realities have to be taken into account.

This is also confirmed by the experience of the local wars and conflicts of recent years. Combat aircraft are now more effective than ever. It is often combat aircraft which to a decisive extent determine the outcome of an armed struggle. That was the case during the war with Iraq, where extensive use was made of Thunderbolt ground-attack aircraft, and the multinational forces' air grouping included seven squadrons of A-10A's (168 ground-attack aircraft). They flew 8,624 missions and hit 4,400 targets. These included 53 Scud operational-tactical missile launchers, 11 Frog missile launchers, 970 tanks, 500 infantry fighting vehicles, 250 command vehicles.... Given the ground-attack aircraft's great effectiveness, the Americans are already developing an aircraft which will fly in the next millennium. Nor are they forgetting to improve the Thunderbolt currently in service. In particular, the pod-housed LANTRI [as transliterated] optical-electronic system for weapons control and low-level flight at night and in bad weather is under development with a view to boosting the aircraft's combat performance.

What about us? Important work has been done in Russia too (I was told about it at aircraft design bureaus). In particular, the Su-25 ground-attack aircraft is being constantly upgraded. The Su-25TK variant fitted with state-of-the-art weapons and bombing-navigation equipment has been developed. Thus, the unique Vikhr anti-tank system with supersonic guided missiles can penetrate any modern tank armor. The Su-25TK can also be equipped with antiradar and laser-guided missiles. Unfortunately, the Air Force is not currently buying these aircraft. It does not have the money.

An original ground-attack aircraft—the Il-102—was developed at the Ilyushin firm. Genrikh Vasilyevich Novozhilov, general designer at the aviation complex, told me about it bitterly. It first flew back in 1982 but did not enter series production. The firm believes that this was largely for subjective reasons. Even though it demonstrated an excellent combat performance during testing at a firing range. It carries 80 percent more payload and has 60 percent more range than the Su-25. With the proper funding the Il-102 could have been used to develop an infantry-support aircraft to meet the needs not only of today but of the future.

Currently only Russia and the United States have the scientific, R&D, and production base to develop world-class ground-attack aircraft. But many subjects and

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

developments in our country have been shut down owing to a lack of funding. The existing fleet of ground-attack aircraft is aging. Might we not face a situation where Russia will find itself without any ground-attack aircraft in a few years' time?

Kalinin AES Power Unit on Line After Malfunction

LD0410221094 Moscow ITAR-TASS World Service in Russian 1354 GMT 4 Oct 94

[By ITAR-TASS correspondent Aleksandr Kharchenko]

[FBIS Translated Text] Udomlya (Tver Oblast), 4 Oct—"There are no complaints today about the working of the equipment of the Kalinin nuclear power station and similarly there are no discharges of radioactive materials and no violations of the safety conditions for operating the power units." The ITAR-TASS correspondent was told this by Vera Firkina, an expert in the information department of the Kalinin AES.

The No. 1 power unit of this AES was halted at 1436 [1136 GMT] on 3 October. There was a fall in the level of the oil in the damping oil tank of the generator shaft sealing system and this caused the protection system to go into operation. The malfunction occurred when the operating personnel made a mistake while they were putting into operation the reserve mechanical filter of the generator sealing system.

At present, the reactor installation of the No. 1 power unit of Kalinin AES is being brought up to minimum control level. It is intended to switch the turbogenerator into the network late this evening.

As for the No. 2 power unit, it is working normally. Its electrical load is 600MW. The radiation background on the territory of the station and in the town of Udomlya is 14 microroentgens per hour which is within the norm.

Soyuz TM-20 Docks With Mir Station

LD0610012194 Moscow ITAR-TASS World Service in Russian 0053 GMT 6 Oct 94

[By ITAR-TASS correspondent Marina Barinova]

[FBIS Translated Text] Moscow, 6 Oct—Today at 0328 Moscow time, the docking of the "Soyuz TM-20" with the "Mir" orbital station took place in near-Earth orbit. It was reported to the ITAR-TASS correspondent at the flight control center that the crew members of the 17th main expedition to the "Mir" station—Aleksandr Viktorenko, Yelena Kondakova, and Ulf Merbold, a representative of the European Space Agency—carried out the docking operation in a highly professional manner.

The program of the six cosmonauts' flight includes the carrying out of scientific and technical, medical, and biological research and experiments as well as the takeover by the replacement crew of the seventeenth main expedition on the "Mir" station.

On 3 November, the cosmonauts Yuriy Malenchenko, Talgat Musabayev, and Ulf Merbold will return to Earth on the "Soyuz TM-19" spaceship. The flight on board the orbital complex will be continued by Aleksandr Viktorenko, Yelena Kondakova, and Doctor Valeriy Polyakov.

Further on Soyuz-Mir Docking

LD0610024794

[FBIS Editorial Report] Moscow Mayak Radio Network in Russian at 0148 GMT on 6 October broadcasts a report by correspondent Vladimir Bezayev from the flight control center, saying that the six cosmonauts are now on board the Mir orbital station. He says that "one and a half hours ago, the Soyuz TM-20, with Alesandr Viktorenko, Yelena Kondakova, and Ulf Merbold, cosmonaut and researcher from the European Space Agency, on board, docked with the complex. True, at the very last minute they had to go over to a manual regime, but Aleksandr Viktorenko is an extremely experienced cosmonaut. He carried out that docking brilliantly."

Bezayev then describes the smiling faces of the cosmonauts and the designers, engineers, and journalists watching them at the flight control center.

Federal Assembly

Assembly Session Opens, Yeltsin Message Cited

MM0610094594 Moscow SELSKAYA ZHIZN in Russian 6 Oct 94 p 1

[Unattributed report: "Parliament Starts Work"]

[FBIS Translated Text] The Russian Federal Assembly resumed work yesterday after the parliamentary recess.

All the difficult questions concerning Russian reality "can be resolved in a spirit of dialogue," State Duma Chairman Ivan Rybkin stated on opening the lower chamber's first session.

Ivan Rybkin expressed the hope that "lawmaking rather than political battles" will be the main determinant in the chamber's activity. At the same time the State Duma speaker observed that the social atmosphere in the country offers no comfort. "There has been no radical breakthrough in the economy," he said, noting here that the government "bears an enormous weight of problems."

Deputies stood to honor "the memory of all those killed last October" before the session started.

The leaders of the Communists and the Agrarians and a representative of the Liberal Democratic Party of Russia [LDPR] addressed yesterday's plenary session of the chamber.

The opposition's fullest demand was voiced by Gennadiy Zyuganov, who demanded that the president

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

report back on fulfillment of the message he had addressed to the Federal Assembly. The leader of the Communist Party of the Russian Federation insisted on priority examination of the draft laws on elections, claiming that the "president's power is the main instrument for the destruction of the country." Gennadiy Zyuganov demanded that the government be invited to the Duma within the next few weeks to report on fulfillment of the 1994 federal budget and also demanded that, as he put it, the "property carve-up" be stopped.

Boris Yeltsin sent a greetings message to the deputies of both chambers. We print the text of the message distributed by the Russian Federation president's press service:

"Esteemed Deputies,

"I congratulate you on the opening of the fall session of the Federation Council!

"I am very glad that the numerous pessimistic forecasts made at the start of the year regarding the impossibility of normal collaboration between the executive and legislative branches of power of Russia have not come true and that we have been able, despite objective difficulties, to establish a lawmaking process. In this regard I would like to share with you my thoughts on work which has been jointly carried out and our plans to strengthen the Russian state system.

"Several fundamental changes, in my view, have taken place in the past half-year, changes which have radically altered the political situation in the country and facilitated the emergence of the first signs of general stabilization. First and foremost, we have managed to establish in practice a constructive dialogue between the different branches of power.

"The Federation Council and the State Duma have been transformed in past months into full-fledged constitutional bodies of legislative power. A number of important laws have been adopted.

"We bear joint responsibility to our electors for maintaining the stability achieved in society, without which constructive activity would be impossible.

"All this indicates that a lot of major, taxing but interesting work to the benefit of Russia and its citizens lies in store for us. For my part, I am ready to cooperate permanently with you.

"I wish you success in this noble endeavor!"

Federation Council Rescinds Yeltsin Edict

LD0610095594 Moscow ITAR-TASS in English 0935 GMT 6 Oct 94

[FBIS Transcribed Text] Moscow October 6 ITAR-TASS—The Upper House of the Russian Parliament today rescinded President Boris Yeltsin's decree extending the state of emergency in the zone of the Osset-Ingush conflict in the Northern Caucasus.

Council Refuses To Extend Ossetia-Ingush Emergency

LD0610101694 Moscow ITAR-TASS World Service in Russian 0941 GMT 6 Oct 94

[By ITAR-TASS parliamentary correspondent Lyudmila Yermakova]

[FBIS Translated Text] Moscow, 6 Oct (ITAR-TASS)—Deputies of the Federation Council today rejected by a narrow margin of votes an edict by the president of the Russian Federation extending the term of the emergency in the Ossetia-Ingush conflict zone until 2 December 1994. It was debated in the upper house for two days behind closed doors.

The force of the edict, not ratified by the Federation Council, expired in accordance with the Constitution at noon today. Now members of the Federation Council have to decide what to do in the future.

Deputy Valeriy Fateyev, who has frequently headed Federation Council commissions, has visited the conflict zone. He told the ITAR-TASS correspondent that in his view a resolution should be passed recommending the president to amend the edict. After that it can be examined again.

In the opinion of the majority of members of the Federation Council, the endless prolongation of the emergency is not yielding the necessary results. As Valeriy Fateyev said, among the deputies there are supporters of "all fullness of power in the conflict zone belonging to the interim administration or to another body, and legislative and executive bodies of the republic suspending their activity on the territory."

Rybkin Does Not Exclude No-Confidence Vote

MK0610083094 Moscow SEGODNYA in Russian 6 Oct 94 p 2

[Report by Yelena Kolokoltseva under the "Announcement" rubric: "Ivan Rybkin: 'The State Duma Will Be an Arena for Passing Laws"]

[FBIS Translated Text] Speaking in the first press conference after the opening of the new Duma season, Ivan Rybkin, Russian parliament lower chamber speaker, assured the journalists that "although there are many worries ahead, and many new draft laws will be added to those already submitted," the Duma deputies are fully resolved to perform their lawmaking functions fruitfully "together with the president, government, and the organs of executive and legislative power in the regions."

Among the laws to be considered and confirmed by the lower chamber of the parliament during the fall session, which will go on till 12 December, are, in fact, more than 12 codes, including the civil, administrative-procedural,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

water, and other codes. It is also to pass the 1995 federal budget, new tax legislation, and to approve a government-elaborated medium-term program for deepening the reforms. (The Duma deputies managed to pass 27 laws between January and July 1994).

Mr. Rybkin, however, did not rule out the possibility that the question of a vote of no-confidence in the government, which was not raised after all during the first sitting, may crop up as the Duma comes to consider the traditionally painful budget question. He hoped, however, that "The State Duma will be an arena for passing laws rather than of political passions."

Ivan Rybkin also stated that he "does not see a great sin" in representatives of the NRP [New Regional Policy], Communists, Agrarians, and "Women of Russia" joining the government. He spoke rather disrespectfully, however, about claims to seats in the cabinet of ministers made by prominent representatives of the LDPR- Zh. P [Liberal Democratic Party of Russia—Zhirinovskiy's Party], who were absent from the sitting owing to their protracted trip to North Korea. "We can somehow manage here without them; as for the government, it has a need for professionals," the speaker sighed.

Federation Council's Viktorov Interviewed

MM0510132594 Moscow ROSSIYSKIYE VESTI in Russian 5 Oct 94 pp 1-2

[Interview with Valeryan Viktorov, deputy chairman of the Russian Federation Council, by Lyubov Tsukanova; date and place of interview not stated: "Deputies Have Started To Feel They Are a Single Organ—the Federal Assembly"]

[FBIS Translated Text] The Russian Federation Federal Assembly's upper chamber is holding its first sitting since the summer vacation today. Valeryan Viktorov, deputy chairman of the Federation Council, describes to your ROSSIYSKIYE VESTI correspondent the Russian "senate's" program of actions for the forthcoming session.

[Tsukanova] Valeryan Nikolayevich, where to begin?

[Viktorov] With the approval of the Constitutional Court judges. That is the first thing we must do because until the court has been staffed it cannot work properly. And our work is endless, and many claims have come in from the regions and from the federal organs of power. Suffice it to say that the Federation Council has already sent the Constitutional Court two statements of claim regarding the interpretation of individual articles of the Constitution concerning the upper chamber's activity.

You know that in our work we depend largely on the State Duma. If the Duma works according to the schedule which it has submitted then we expect a number of very important laws regulating the economic aspects of our life. They includes the Land, Water, and other Codes; a law on free economic zones is nearing completion. Incidentally, free economic zones are also an important problem. At a recent conference on foreign investments many of those taking part said that laws are now needed guaranteeing foreign investors, in addition to the safety of their investments, the receipt of an appropriate share of the profit, and opportunities to export this profit from Russia. There was talk of how it is possible to adopt a law on free economic zones more rapidly: These zones exist in our country de facto but have not yet been enshrined de jure. And so in many ways in their activity now they are even discrediting the very idea because an enormous number of mafia structures of various kinds have now settled around them and are laundering their money with the aid of tax and customs benefits.

There is very serious talk about the package of laws regulating tax policy. These draft laws must be put through parliament as soon as possible, especially as we will have to embark in earnest on work on the 1995 draft budget. It is true that the government has yet again failed to fulfill the Federal Assembly decision: We have adopted a law which compels the Council of Ministers to submit the draft budget and forecast for socioeconomic development for 1995 no later than 15 September, but we still do not have this document. Nonetheless, work with the outlines of the future budget and with the forecast has already begun in the Duma and Federation Council committees and commissions.

Obviously we shall devote the lion's share of our attention not to much even to session sittings as to work in the committees and commissions, making broader use of the practice of parliamentary hearings. I think that we will examine as early as October at the hearings serious questions like the prospects for the development of the gold extracting industry in Russia and problems of military reform.

One more avenue which must be expanded is the holding of conferences at the most diverse levels: scientific and practical, interregional, and international.

There are many problems and virtually no time to get into the swing of things so that although the chamber's first sitting is 5 October we embarked on very serious work at committee and commission level as early as 1 October.

[Tsukanova] Many members of the Federation Council have expressed dissatisfaction at the range of powers the chamber has....

[Viktorov] That is natural, because, unfortunately, the potential which our chamber possesses has still not been completely realized. People are still not adequately familiar with lawmaking work and have only a vague idea of their place and role within the chamber. After all, we are not now the former Supreme Soviet which was both an administrative and auditing body. We are trying to create a fundamentally new parliament, an organ which should engage primarily in lawmaking. Perhaps

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

this dissatisfaction stems from a lack of experience, perhaps from a certain nervousness which arises because of the gaps we can observe in the legislative area.... Laws have not been adopted regulating the powers' mutual relations and separating powers: That is for you and that is for you, and each should do his own job. On the other hand it is very difficult to renounce the past when the Supreme Soviet as the supreme organ of representative power had rights and powers but very often bore absolutely no responsibility for the decisions made. After all, one can accuse executive power of many things: of various violations, of an attempt to arrogate powers that are not its own, but nonetheless the main distinguishing feature of executive power is the measure and degree of the responsibility it bears for particular decisions. So we must simply learn to work in a new way, under new conditions, and often in an emergency situation when the time left is not years, not months, but weeks and days.

[Tsukanova] Valeryan Nikolayevich, once, when you were addressing the Federation Council, you said that economic problems can be resolved by means of "pinpointed"laws, we have in mind the idea that with their aid it is possible rapidly to introduce changes to the laws which have been adopted and are in operation but no longer entirely accurately reflect the new reality. Many of them were adopted in a different political situation and bear the mark of political struggle and the resistance of branches of power. To somehow correct the self-seeking nature of individual articles of these laws it is essential to introduce amendments with the aid of "pinpointed" laws.

But that is not all. For instance, we adopted a law by which we obliged the government to submit the draft budget for 1995 no later than 15 September. How to make someone answerable for failing to fulfill this law, who will impose sanctions, and who will monitor the law's execution are another matter.... But there is no doubt that it was necessary.

[Tsukanova] You hope to find mutual understanding with the Duma?

[Viktorov] I am absolutely convinced that we will find such mutual understanding.

[Tsukanova] There will be no sense of mutual jealousy?

[Viktorov] No. In working on these draft laws, as a rule we create joint working groups. There is no denying that initially many people thought that the Duma and the Federation Council would be in constant conflict: In both places people had collected who were well known, quite ambitious, and jealous of each other. But practice has shown that it is just the opposite: We find mutual understanding considerably more often than we are held up by contradictions. And although the Federation Council rejects some laws adopted by the Duma on each occasion we try to do this in an extremely respectful and motivated way so that in no case are we too accused of excessive arrogance. So it seems to me that when the stage of establishing the chambers is virtually complete and we have begun to feel we are a single federal organ—the Federal Assembly—we shall find mutual understanding relatively easily and promptly.

Regional Affairs

Chechnya Warns of Yeltsin Assassination Attempt

LD0510210794 Moscow INTERFAX in English 2032 GMT 5 Oct 94

[FBIS Transcribed Text] The Chechen Government on Wednesday evening warned that an assassination attempt against President Yeltsin may take place in a few days.

The Chechen Government says that the purpose of such action would be to make Yeltsin start large-scale combat operations in Chechnya and liquidate President Dzhokhar Dudayev and to blame the assassination attempt on criminals of Chechen descent.

The Chechen Government has accused certain military-political clans and secret services in Russia of framing Chechnya and described the situation as very close to a point where another Russian-Caucasian war may begin.

The Chechen Government has said it is strongly against terrorist methods. A copy of the statement was received from President Dzhokhar Dudayev's staff.

At Tuesday's news conference in Moscow President Yeltsin confirmed once again that Russia will never resort to armed intervention in Chechnya. He said he was not afraid of assassination threats, because he was well protected.

Maritime Elections Cancelled After Yeltsin Call

LD0510181894 Moscow NTV in Russian 1500 GMT 5 Oct 94

[FBIS Translated Text] [Presenter Tatyana Mitkova] Here's a political report from the Maritime Kray. Yevgeniy Nazdratenko, head of the Maritime Kray administration, has cancelled the elections of a new governor of the kray planned for 7 October. This happened following a telephone conversation with President Yeltsin. Apologies have been made to the electorate.

Opposition Reportedly Controls Entire No. Chechnya

LD0610100894 Moscow ITAR-TASS World Service in Russian 0914 GMT 6 Oct 94

[By ITAR-TASS correspondent Sergey Ostanin]

[FBIS Translated Text] Moscow, 6 Oct—Armed opposition forces in Chechnya blew up the Chervlennaya road bridge over the river Terek at 0400 today, the press service of the interim council of the Chechen Republic told a Moscow ITAR-TASS correspondent. According to

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the press service, the bridge was one of the few crossings suitable for use by military hardware. Shelkovskoy and Naurskiy Rayons are thus cut off from Groznyy. The whole of northern Chechnya, the press service noted, is now under interim council control.

To recall, the bridge at Chervlennaya villages, which is 20 km from the Chechen capital, was seized twice recently by armed opposition detachments during the operation to blockade Groznyy between 25 August and 13 September. However, Dzhokhar Dudayev's supporters retook this important strategic point.

Dudayev Regime Reportedly Acquires Stinger Missiles

LD0510191394 Moscow INTERFAX in English 1705 GMT 5 Oct 94

[FBIS Transcribed Text] The Dzhokhar Dudayev regime has acquired anti-aircraft Stinger rockets, sources in the Chechen opposition have said. According to the latest reports two heavy trucks have brought Stingers to Groznyy, presumably from Turkey, through Azerbaijan and the Khasavurt district of Dagestan.

The Chechen opposition's intelligence says government troops in Chechnya have a shortage of ammunition. Envoys have been dispatched to the North Caucasus, the Baltic countries and Ukraine to acquire ammunition and military equipment and to recruit mercenaries.

Military experts say that government forces consist of 3,000 men, 20 tanks and up to 16 GRAD rocket launchers. Dudayev's crack forces include the assault brigade under Arsanukayev, Shali tank regiment, special task regiment and units of the security department and Interior Ministry.

Dudayev Spokesman Denies Bridge Blown Up

LD0510211594 Moscow INTERFAX in English 2032 GMT 5 Oct 94

[FBIS Transcribed Text] President Dudayev's spokesman has dismissed reports that the bridge in the Pervomayskaya village 10 km northwest of Groznyy had been blown up. "No combat operations are being held in the Republic, the situation is under control everywhere, except for the Znamenskoye village, the headquarters of the Opposition," the spokesman said.

Chechnya's state security department has said that there was an unsuccessful attempt at blowing up the bridge and that no damage was caused. An unexploded anti-tank mine was found on the bridge. In case of an explosion the damage would be serious.

The Chechen security department has said the explosion attempt was by armed supporters of Beslan Gantamirov, a field commander loyal to the opposition.

In the meantime the Opposition headquarters has said that the Opposition has long disarmed all government posts around Groznyy and that President Dudayev controlled an insignificant part of the Chechen capital.

Military sources on Tuesday said that the Chechen anti-aircraft force and aviation were alerted again in the afternoon, as two helicopters approached the border.

The central headquarters said shoot-to-kill orders had been issued in the event the helicopters ventured into Chechnya's air space. Groznyy believes the helicopters must have been from the military airdrome in Mozdok. The Chechen authorities said the helicopters turned back some distance away from the border.

Dudayev Accuses Russians of Atrocities

LD0510141894 Moscow ITAR-TASS World Service in Russian 1235 GMT 5 Oct 94

[By ITAR-TASS correspondent Sharip Asuyev]

[FBIS Translated Excerpt] Groznyy, 5 Oct (ITAR-TASS)—Russian secret services are carrying out missile attacks on peaceful towns and villages, taking and killing hostages and perpetrating other atrocities in an attempt to provoke the Chechen leadership into retaliation, Chechen President Dzhokhar Dudayev said.

In an exclusive ITAR-TASS interview today he said that "certain structures in Moscow, with the knowledge of the top political leadership, have finally thrown off their disguises and gone over to using dirtiest methods and means to suppress desire of the Chechen people for freedom and independence." According to Dudayev, the situation in Chechnya is being exacerbated by "not only the regular army and state-of-the-art weapons, including aircraft and armor, but also the use of so-called psychological influence groups."

"The aim of these operations is obvious," Dzhokhar Dudayev said. "It is an attempt to kindle mutual hatred among the Chechens, and most importantly, to provoke us into a retaliation in order to formally justify Russian aggression against Chechnya, which has already begun in effect."

However, Dzhokhar Dudayev said, "the Chechen people and their leadership have enough self-possession and civility not to stoop to criminal methods used by bandits and terrorists." "When choosing means of fighting I shall never compromise the honor of a combat officer and a leader of a nation," he said. [passage omitted]

FCS Denies Dudayev Claim

LD0510124694 Moscow ITAR-TASS World Service in Russian 1132 GMT 05 Oct 94

[By ITAR-TASS correspondent Andrey Palariya]

[FBIS Translated Text] Moscow, 5 Oct—Dzhokhar Dudayev's statement that "certain structures in Moscow, with the knowledge of the top political leadership, have finally thrown off their disguises and gone

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

over to using the dirtiest methods and means of suppressing the desire of the Chechen people for freedom and independence" is the product of special propaganda that is being actively used during combat actions. ITAR-TASS was told this today by Aleksandr Mikhaylov, head of the public relations center of Russia's Federal Counterintelligence Service [FCS].

Having emphatically denied the Chechen president's accusation of "atrocities by the Russian secret services" in this Republic, the FCS official spokesman stressed that "today's statement by Dzhokhar Dudayev aims first and foremost at demoralizing his enemies and shifting responsibility for his own mistakes and omissions to mythical psychological influence groups and other nonexistent counterintelligence subunits."

In addition, Aleksandr Mikhaylov noted the accusation that Russia's secret services "carried out missile attacks on civilian villages and towns and took and killed hostages" is purely psychological and is intended to raise the morale of Dzhokhar Dudayev's supporters.

Opposition Says Dudayev Influence Limited to Groznyy

LD0510164794 Moscow ITAR-TASS in English 1603 GMT 5 Oct 94

[FBIS Transcribed Text] Moscow October 5 TASS—The Chechen opposition stated on Wednesday [5 October] that actual powers of President Dzhokhar Dudayev have been limited to the territory of republic's capital Groznyy.

The Provisional Council's information committee told TASS that "Dudayev had to admit that he had lost control over the Republic's regions. He is now taking desperate steps to strengthen defence lines around the capital."

The Provisional Council claims also that "a considerable group of Dudayev's supporters has been blockaded in the village of Bratskoye" several miles off the opposition's stronghold of Znamenskoye. They do not display serious activities, and the leadership of the council has been refraining so far from an attack on Bratskoye to avoid unnecessary casualties, the source said.

In general, the situation in the republic was relatively calm today. The opposition rejected its alleged involvement in the overnight explosion of a bridge over the river separating Groznyy and the village of Pervomayskaya.

Ground-Attack Procedures Rehearsed in N. Caucasus

MM0510141194 Moscow KRASNAYA ZVEZDA in Russian 5 Oct 94 p 1

[Report by Viktor Beltsov of the Air Force Press Center: "Air Support Can Be Counted on If Needed"]

[FBIS Translated Text] Fighters and ground-attack planes have carried out missile attacks on ground targets at the Air Force's mountain test range in the North Caucasus Military District.

Colonel Oleg Antonovich, Colonel Vladimir Kachanov, and Colonel Sergey Seregin, military airmen from the V.P. Chkalov State Flight Test Center, and Marat Alykov, a test pilot from the A.I. Mikoyan Aviation Science-and-Production Complex, operating in complex weather conditions, were first to rehearse attacks on ground targets using MiG-29 fighters.

They were followed by Colonel Vladimir Bukhtoyarov and Colonel Vladimir Bondarenko, both military test pilots, who attacked using Su-25 ground-attack planes. In the opinion of Colonel General of Aviation Petr Deynekin, commander in chief of the Air Force, who observed the operations of the airmen and the ground services, the airborne missile attack was powerful and accurate.

Edict on Ossetia-Ingushetia State of Emergency

MM0510133594 Moscow ROSSIYSKAYA GAZETA in Russian 5 Oct 94 First Edition p 2

[Edict No. 1970 of the Russian Federation President "On the Introduction of a State of Emergency in Part of the Territory of the Republic of North Ossetia and the Ingush Republic," signed by Russian Federation President B. Yeltsin and dated 3 October 1994]

[FBIS Translated Text] In connection with the continuing tension in a number of rayons of the Republic of North Ossetia and the Ingush Republic and the need to unconditionally safeguard the process of enforced migrants' return to their permanent place of residence and implement a series of measures to eliminate the consequences of the armed conflict, with a view to ensuring state and public security, and also in accordance with Article 88 of the Russian Federation Constitution, the RSFSR Law "On the State of Emergency," and the Russian Federation Law "On Security," I decree that:

1. The state of emergency in part of the territory of the Republic of North Ossetia and the Ingush Republic introduced by Russian Federation presidential Edict No. 1541 of 25 July 1994 shall be abrogated.

2. On the basis of Point "A" of Article 4 of the RSFSR Law "On the State of Emergency" a state of emergency shall be introduced as of 1400 hours 3 October 1994 through 1400 hours 2 December 1994 on the territories of:

The Republic of North Ossetia

Mozdokskiy Rayon (except the population centers of Telman, Yelbayevo, and Sadovyy), Pravoberezhnyy Rayon (the population centers of Staryy Batakoyurt, Zilga, Olginskoye, and Vladikavkaz Airport), Prigorodnyy Rayon (the settlements of Mayskiy, Chermen,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Komgaron, Tarskoye, Kurtat, Oktyabrskoye, Kambileyevskoye, Dachnoye, Sunzha, Dongaron), and the city of Vladikavkaz (the population centers of Yuzhnyy, Chernorechenskoye, Terk, Balta, Chmi, Nizhniy Lars, Verkhniy Lars, Ezmi, Kartsa, and the "Sputnik" military camp);

The Ingush Republic:

Malgobekskiy Rayon (except the population centers of Novyy Redant, Chkalovo), Nazranovskiy Rayon, Sunzhenskiy Rayon (the population centers of Galashki, Muzhichi, Nizhniy Alkun, Verkhniy Alkun), Dzheyrakhskiy Rayon (the population centers of Dzheyrakh, Lyazhgi, Beyni, Furtog).

3. An Interim Administration on part of the territory of the Republic of North Ossetia and the Ingush Republic (hereinafter called the Interim Administration) shall be introduced as a special form of government for the state of emergency period.

The Interim Administration is the rightful heir of the Interim Administration on part of the territory of the Republic of North Ossetia and the Ingush Republic introduced as a special form of government by Edict No. 1541 of the Russian Federation president "On the Introduction of a State of Emergency on Part of the Territory of the Republic of North Ossetia and the Ingush Republic."

4. During the state of emergency period:

- Special entry and exit procedures shall be introduced, as well as a special procedure for travel within the state of emergency zone, incorporating inspection of documents and, should information be obtained regarding citizens' possession of weapons, examination of individuals and of possessions, accommodations, and transport;
- The preservation of public order and protection of installations ensuring the population's vital activity shall be stepped up;
- The holding of assemblies, rallies, street processions, and demonstrations, and also other mass events shall be banned;
- Strikes shall be banned;
- Sales of arms shall be banned;
- Censorship of information covering events in the state of emergency zone shall be introduced, with the right to the temporary sequestration of printed material.

The Interim Administration shall:

- Confiscate firearms and 0dged weapons from citizens, along with ammunition, toxins, and explosives;
- Deport those who breach public order and who are not residents of the locality in question to their permanent place of residence or outside the territory on which the state of emergency has been introduced, at their own expense;
- Following an advance warning, suspend the activity of political parties, public organizations, and mass movements which are hampering the normalization of the situation;
- In view of the situation introduce a curfew, i.e. banning citizens from being on the streets and in other public places without special passes and identification documents at a prescribed time of day.

5. It shall be established that, insofar as questions of the return of enforced migrants, the fulfillment of a series of measures to eliminate the consequences of the armed conflict, and the implementation of the state of emergency regime are concerned, executive organs in the Republic of North Ossetia and the Ingush Republic, as well as local self-government organs, shall be subordinate to the head of the Interim Administration.

The decisions of all state and local self-government organs on the matters enumerated in this point adopted without coordination with the head of the Interim Administration have no legal force.

6. The Russian Federation MVD [Ministry of Internal Affairs], the Russian Federation Federal Counterintelligence Service [FCS], and Russian Federation Defense Ministry forces allocated to the Interim Administration shall take steps to prevent an armed clash between the opposing sides, defend citizens' security, and ensure the unswerving observance of the state of emergency regime.

7. The combined forces of the Russian Federation Defense Ministry, the Russian Federation MVD, the Russian Federation FCS, the Russian Federation president's Federal Government Communications and Information Agency, and the Russian Federation State Customs Committee conferred on the Interim Administration shall be operationally subordinate to the head of the Interim Administration.

8. The Russian Federation MVD, the Russian Federation Defense Ministry, and the Russian Federation General Prosecutor's Office shall submit a report on the fulfillment of Point 4 of the working plan of concrete actions ratified by the Russian Federation president 30 December 1993.

9. The Russian Federation General Prosecutor's Office shall be advised to step up the work of the Caucasus Interregional Prosecutor's Office to coordinate the activity of law-enforcement organs in the state of emergency zone.

10. The Russian Federation Government shall:

- Ensure the implementation of measures linked with the introduction of the state of emergency regime, including their funding;
- Provide timely and complete funding for measures to comprehensively resolve the problems of enforced migrants;
- Ensure the further implementation of talks to settle the conflict;
- Provide the Republic of North Ossetia and the Ingush Republic with financial and economic aid via the Interim Administration in accordance with federal programs, the continuation of that assistance being

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

dependent on the constructive nature of the negotiating process between the republics and their taking steps to settle the conflict;

- Ensure the subsequent return of enforced migrants to their place of permanent residence on the territory of the Republic of North Ossetia and the Ingush Republic in accordance with the Procedure for the Return and Settlement of Refugees and Enforced Migrants in Their Former Close-Knit Communities in the Population Centers of Chermen, Dongaron, Dachnoye, and Kurtat in the Republic of North Ossetia's Prigorodnyy Rayon, which was signed by all interested parties 26 June this year in the city of Beslan.

11. This edict comes into force on the day that it is signed.

12. This edict shall be sent to the Federation Council of the Federal Assembly for ratification in accordance with Article 102 of the Russian Federation Constitution.

[Signed] Russian Federation President B. Yeltsin.
[Dated] The Kremlin, Moscow, 3 October 1994.

Ingush President Opposes Emergency Extension

LD0510161994 Moscow INTERFAX in English 1238 GMT 5 Oct 94

[FBIS Transcribed Text] The President of Ingushetia Ruslan Aushev is opposed to the extension of the state of emergency in the Ossetian-Ingush conflict zone. In a Wednesday [5 October] interview with INTERFAX he said the Federation Council should overrule the decree of Boris Yeltsin prolonging the state of emergency because "it gives nothing new and is not being observed."

Aushev said Ingushetia did not ask to prolong the state of emergency in its territory, and if North Ossetia had asked for that, "let the state of emergency be extended in that republic alone."

According to the president, the Ingush authorities are capable of controlling the situation in their republic themselves.

Grachev Gets Stalled Camp Construction Moving Again

MM0510151994 Moscow ROSSIYSKAYA GAZETA in Russian 5 Oct 94 First Edition p 3

[Report by correspondent Gennadiy Litvintsev: "Ministers Should Come More Often"]

[FBIS Translated Text] Voronezh Oblast—At one time there was a fashionable rubric in the press: "Newspaper Speaks Out, Measures Taken." On 28 July in the item "Ordered To Empty Fields" I gave an account of a large tank unit withdrawn from Germany to the Boguchar area. Not a single military or civilian facility was prepared to receive the soldiers, and because of a lack of organization no end was in sight to the construction that has been started. Consequently soldiers and officers face spending a second winter in site huts and tents. Whether the item had an effect or whether it was just coincidence, measures are starting to be taken.

"Of the 32 military installations being constructed in Russia, Boguchar is in the most difficult position," Russian Federation Defense Minister Pavel Grachev concluded after an inspection visit to the large unit's area. "When troops were withdrawn from Germany it was assumed that the housing compound for officers and warrant officers and the barracks for soldiers would be constructed in Boguchar as early as by this fall. The military left right on schedule, but housing construction is eight months behind schedule. Three hundred and seventy-two officers' families have been forced to rent accommodations in the rayon center and surrounding villages, and others have had to be parted from their wives and children."

The South Korean firm "Yu. Uan" [as transliterated], which contracted for the construction, handed the work over to Turkish subcontractors. The latter have become bogged down in some organizational and financial foul-ups, which, of course, cannot be sorted out immediately. The conversation between the minister and the firm's chief manager was brief: "For falling behind we will apply penalty sanctions, not necessarily monetary ones. As compensation you will construct two or three homes free of charge or you will leave behind your equipment and workers' housing compound." No excuses were accepted.

The minister had a harder time at the military installation construction site, because construction here is being financed by the military department itself. It is precisely because of the lack of resources that the barracks building remains a lifeless carcass. So far there is no mess hall or storage premises and roads have not been laid. "I will take control of Boguchar, financing will begin from tomorrow," Grachev promised the large unit's officers. And he set the following task: All seven of the division's military compounds are to be handed over "completely finished" by 1 October 1996. Next year's plans will also include the construction of 63 km of a railroad branch line from Kantemirovka station to Boguchar.

The first results of the minister's visit are already evident. I asked V. Kovalev, deputy head of the oblast administration, about this. According to him, 6 billion of the 12 billion rubles needed to complete the first stage of the military installation were actually received the day after Grachev's arrival. The rest of the funds will be received every month. The construction site is coming to life and there is every reason to believe that the barracks, mess hall, food warehouse, and bathhouse will be completed before the new year.

There have also been changes on the housing "front." The "Yu. Uan" firm has terminated its contract with the Turkish subcontractors and by all accounts will undertake the construction itself. Of course, the leeway cannot be made up completely here, but it is quite possible to narrow the gap. Every day is precious to someone living in a tent.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

International Affairs

Inspection Agreement Signed With IAEA

LD0510115694 Moscow Radio Rossii Network in Russian 1000 GMT 5 Oct 94

[FBIS Translated Text] According to news agency reports, Ukraine signed an agreement on inspection of its nonmilitary nuclear facilities with the International Atomic Energy Agency [IAEA]. This will allow the IAEA to certify that Ukraine does not use fission materials obtained from nuclear power stations for military purposes. The IAEA sees this agreement as a signal from Kiev that it may give up nuclear weapons.

Foreign Minister Meets With EU Counterparts

LD0510200694 Kiev Radio Ukraine World Service in Ukrainian 1700 GMT 5 Oct 94

[FBIS Translated Text] Ukraine's Foreign Minister Hennadiy Udovenko held a meeting with the leaders of foreign policy departments of the European Union member-states in Luxembourg on 5 October. They took part in the session of the Council of European Union, which discussed issues of strategy in relation to Ukraine.

In the course of the meeting Hennadiy Udovenko outlined the priorities in our state's foreign policy and drew the attention of the meeting participants to the most complicated issues of its internal development, laying special emphasis on the need for efficient international cooperation in carrying out radical economic reforms in Ukraine.

The foreign ministers of the European Union were unanimous in their support to Ukraine's sovereignty and territorial integrity as an important factor of the regional and European security. Tney positively assessed the stepping up of the process of reforming Ukraine's economic and political systems.

Nuclear and power engineering problems facing our state drew special attention at the meeting in Luxembourg. Hennadiy Udovenko emphasized that the nuclear issue was not just Ukraine's problem and called on the leading European states to increase their contribution to resolving it, in particular, by way of providing guarantees of national security to Ukraine.

Foreign Minister on Yeltsin UN Speech

LD0510222794 Kiev UNIAN in Ukrainian 2000 GMT 5 Oct 94

[FBIS Translated Excerpt] Kiev—Ukraine's Foreign Affairs Minister Hennadiy Udovenko gave a brief news conference at the "Boryspil" airport. [passage omitted]

Replying to a question on the response to the speech by the president of Russia, Boris Yeltsin, on Russia's protectorate over CIS countries, delivered during bilateral meetings within the framework of the 49th session of the UN General Assembly, the foreign minister of Ukraine pointed out that in the course of the above meetings the Ukrainian side was reporting on measures being taken by Ukraine to normalize Ukrainian-Russian relations. "As far as Boris Yeltsin's speech is concerned, our country's stand is that Ukraine, as an independent state, comes out against dividing spheres of influence in Europe," Hennadiy Udovenko emphasized.

Concerning Ukraine's losses due to the UN sanctions against the former Yugoslavia, the head of the foreign political department of Ukraine pointed out that immediate measures should be taken so as to step up activity in this region within the limits of the existing possibilities. In Hennadiy Udovenko's opinion, Ukraine's foreign policy should be pragmatic, active and such that takes into account national interests.

Concerning pressure exerted on Ukraine as far as issues of acceding to the nuclear weapons nonproliferation treaty and phasing-out the Chernobyl nuclear power station are concerned, the Ukrainian diplomat emphasized: "I am not that easy to put pressure on. If there was any pressure, I was retaliating. To resolve these issues, Ukraine should receive guarantees of its national security. Meanwhile, the trilateral statement by the presidents of Ukraine, the USA and Russia does not very much suit us in this respect."

It was also emphasized that the strategic task of the European communities in cooperation with Ukraine is to render it assistance in the economic and political transformations aimed at consolidating Ukraine's independence. The tactical task is to help Ukraine join the nuclear weapons nonproliferation treaty and close down the Chernobyl nuclear power station.

Concerning the adoption by Ukraine of an IMF plan to grant it credits, Hennadiy Udovenko said that this evoked a positive response of the international circles. "The IMF credits will not resolve the issue of Ukraine coming out of the economic crisis, however, they will contribute to creating trust in our country and, therefore, involving investors," Hennadiy Udovenko pointed out.

Mityukov Addresses IMF, World Bank Annual Meeting

LD0510200394 Kiev UNIAN in Ukrainian 1600 GMT 5 Oct 94

[FBIS Translated Text] In an address to an annual meeting of the International Monetary Fund [IMF] and the World Bank on 5 October, Ukraine's Deputy Prime Minister Ihor Mityukov, at the head of a Ukrainian delegation, said the role of international financial organizations in the process of transition to the market economy in newly independent states is increasingly significant.

A pledge of credits in the sum of $4 billion, in his words, is "a helping hand offered to Ukraine by the G-7 countries in Naples." "With the aid of the IMF in Madrid, we offered our hand in response, proposing to

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

reach agreement on the provision of a Systemic Transformation Facility. All we have to do now is to work together to ensure the resolute action necessary is taken," he added.

It would be best, in Ihor Mityukov's view, if this were to concentrate on making available short-term assistance to resolve the payments balance problem, and on long-term financing of infrastructure projects and encouraging the emergence of new market economy institutions in Ukraine.

Ihor Mityukov added that western financial help would be used to settle the energy debt, set up a hryvnya stabilization fund and damp the blow of economic reforms.

U.S. Treasury Secretary Lloyd Bentsen in a speech to the meeting spoke in favor of shifting the emphasis of financial assistance from Central Europe to Ukraine and Russia, adding that the situation in the latter was worrying.

UK Chancellor of the Exchequer Kenneth Clarke told journalists the heads of G-7 financial departments reached greater mutual understanding with Ukraine than Russia.

UNIAN has already reported that representatives of donor countries are to hold special meetings on Ukraine in Washington on 12 and 18 October.

Kuchma Urges Support of Nonproliferation Treaty

LD0510213094 Moscow ITAR-TASS in English 2100 GMT 5 Oct 94

[By UKRINFORM—TASS]

[FBIS Transcribed Text] Kiev October 6 TASS—Ukrainian President Leonid Kuchma sent a letter to the parliament on 5 October asking it to support the Nuclear Non-proliferation Treaty signed on 1 July 1968.

Earlier Ukraine has pledged to join the pact as a nuclear-free country.

Kuchma's Chief Foreign Policy Advisor Vladimir Furkalo said that in the letter the president stressed that Ukraine's joining the treaty would meet its strategic interests.

Furkalo also said that recently President Kuchma sent letters to the leaders of Russia, the United States, Britain and France, pointing out that Kiev's accession to the treaty depends mainly on whether the sides will succeed in agreeing the text of a document on security guarantees for Ukraine.

The advisor stressed that international assistance in eliminating Ukraine's nuclear weapons should correspond to the unprecedented efforts it is exerting to scrap its nuclear arsenals.

Germany's Kohl Promises Economic Support

LD0510183594 Kiev Radio Ukraine World Service in Ukrainian 1700 GMT 5 Oct 94

[FBIS Translated Text] Ukraine's President Leonid Kuchma had a telephone conversation with Helmut Kohl, federal chancellor of the Federal Republic of Germany, on 5 October. The president of Ukraine informed Chancellor Helmut Kohl about the progress of the economic reforms in Ukraine and its cooperation in this sphere with the International Monetary Fund, the World Bank, and other financial organizations.

The FRG chancellor emphasized that Germany, like other European countries, is interested in a strong and stable Ukraine, because stability of the entire European region depends on this. He assured Leonid Kuchma that the policy of reforms in Ukraine would be supported by both the European Union, now chaired by Germany, and Germany itself. Also discussed were the prospects for further bilateral Ukrainian-German relations.

National Affairs

Meshkov on Resolution of Crimean Crisis

LD0510172394 Moscow INTERFAX in English 1402 GMT 5 Oct 94

[FBIS Transcribed Text] The constitutional crisis in the Crimea can be resolved only by the Ukrainian Parliament, said Crimean President Yuriy Meshkov. Addressing on Wednesday deputies of the Crimean Parliament he said that the absence of mutual understanding between the two branches of power in the Crimea had led to the fact that the problem cannot be solved by the Crimean authorities independently.

The president expressed regret that at present it is impossible to hold a referendum at which the people of the Crimea could say who should run the autonomous republic, the parliament or the president.

Meshkov described as a political mistake of parliament the restoration of the Crimean Constitution in the edition of 6 May 1992 (this decision was taken last May—IF Note). He believes that in doing so the parliament violated the "legal space."

The changes which the Crimean parliament intends to introduce in the Constitution, according to Meshkov, "contradict the existing Crimean Constitution and cannot have juridical consequences."

Last night there was a meeting between Crimean President Yuriy Meshkov and Chairman of Crimean Parliament Sergey Tsekov. The president's spokesman said that the meeting took place in response to public demand, the Crimean Russian Society and the Voters' Club. There is no information so far about the results of the meeting.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Aide Accuses Parliament of 'Inadequate Competence'

LD0510213594 Moscow ITAR-TASS in English 2128 GMT 5 Oct 94

[By ITAR-TASS correspondent Anna Melnikova]

[FBIS Transcribed Text] Moscow October 6 TASS—Crimean President Yuriy Meshkov described parliament's decision to curb his powers as anti-constitutional and invalid in law on Wednesday.

The Crimean parliament passed amendments to the Crimean Constitution on Wednesday, which run counter to the fundamental law and, essentially, violate the common norms of international law, Pyotr Chernyatevich, presidential chief of staff, told ITAR-TASS in an interview.

"If the amendments are put into effect, the Crimea may lose its statehood, and inhabitants of both Ukraine and the peninsula may have to face negative consequences," he said.

According to him, a wayout may be found if anti-constitutional decisions of the parliament are reduced to the "zero variant" proposed by the Crimean, Ukrainian and Russian presidents.

The reason why the Crimean lawmakers all but stripped Meshkov of his presidential powers lies in the "inadequate competence of the present parliament membership, their inability to solve political, economic and social problems of the peninsula," Chernyatevich said.

Sailors of the Black Sea Navy felt keenly about the decision of the Crimean parliament, though they did not show it, he said.

Nevertheless, they pin their hopes on mutual understanding and positive settlement of the Crimean crisis, given the status of the navy and progress which was made recently in solving its problem.

Crimean Parliament Strips President of Powers

LD0510135294 Moscow ITAR-TASS World Service in Russian 1506 GMT 5 Oct 94

[FBIS Translated Text] Simferopol, 5 Oct (ITAR-TASS)—The Crimean parliament today adopted a number of amendments and addendums, which effectively strip the republican president of his main powers. Thus, according to the adopted amendments and addendums to the Constitution, the prime minister is the head of the executive power. He is nominated not by the president but by the head of the republican parliament, to be later approved by the Supreme Soviet. The government will be formed as put forward by the prime minister.

In line with the amendment to Article 128 of the Main Law, if the president violates the Constitution or republican laws, he may be removed from office by the Crimean Supreme Soviet if at least two-thirds of deputies vote in favor of this.

More on Parliament Action

LD0510195894 Moscow INTERFAX in English 1705 GMT 5 Oct 94

[FBIS Transcribed Text] The Crimean parliament has approved a constitutional amendment banning the president to form or head the government. This brings into line with the territorial constitution a recent law on Crimean government saying that the prime minister is alone head of the executive.

The amendment was approved by 67 votes for and five against out of the 72 deputies taking part.

A group of 20 supporters of President Yuri Meshkov from the Russia and Unity factions staged a walkout in protest.

Leader of the biggest Russia faction and head of the law commission Sergey Nikulin unveiling proposed changes said these had nothing to do with the power struggle but were caused by the need to elect a government ahead of the coming winter.

In his words, the amendments will have no effect on the substance of the presidency but will bring corrections to the functioning of the executive.

For his part, leader of the Respublika faction Vladimir Klychnikov said the law commission was preparing a bill defining the functions and duties of the Crimean president.

Under the proposed legislation, he said, the president is the head of state and supreme official.

The institution of presidency as an embodiment of Crimean statehood must and will be kept intact, Klychnikov said.

Parliament Speaker Sergey Tsekov in an interview with INTERFAX said the latest decision follows months of government ineptitude.

"In fact, Crimea has lived without a government. In the end, someone had to use authority to show that the government is there," he said.

He also accused President Meshkov of failing to form a government over a period of five months.

Tsekov hopes that "our decision will help towards the emergence of an executive capable of resolving the region's economic problems."

He believes the latest resolution brings an end to the constitutional crisis which has been plaguing Crimea for the past two months.

Crimean President Accuses Parliament of Staging Coup

LD0510172494 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 5 Oct 94

[FBIS Translated Text] With Crimea's Supreme Council today having resumed a plenary sitting, the deputies this

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

morning opened a debate on constitutional amendments linked to the law on Crimea's government.

The press service of Crimea's Supreme Council reported that Crimean President Yuriy Meshkov in an address to parliament prior to discussions on this subject accused the Supreme Council of staging a coup that was almost complete and of curbing his powers without consulting the peninsula's population.

In response, Supreme Council of Crimea Chairman Serhiy Tsekov pointed out the autonomy's fundamental law entitled deputies to make changes in the constitution. He added that the law on government that was passed was necessitated by the president's failure after a long time to form an executive authority in Crimea.

Kuchma's Son-in-law Considered for Premier

LD0610103394 Moscow ITAR-TASS in English 1022 GMT 6 Oct 94

[FBIS Transcribed Text] Simferopol October 6 ITAR-TASS—The Crimean parliament today decided to extend its agenda with an important item concerning the appointment of a new prime minister. Ahead of the plenary meeting, candidatures for the head of the executive are being discussed by the parliament's factions.

Informed sources believe that parliament chairman Sergey Tsekov will propose the appointment of Anatoliy Franchuk, a minister in the Yevgeniy Saburov Cabinet.

Franchuk as born in the Crimea and is related to Ukrainian President Leonid Kuchma whose daughter he is married to.

The Crimean parliament session is being attended by the United Nations' envoy to Ukraine Stephen Brown.

Ukraine Agrees To Close Down Chernobyl AES

LD0510124294 Moscow Radio Rossii Network in Russian 1100 GMT 5 Oct 94

[FBIS Translated Text] Ukraine has agreed that it is necessary to close down the Chernobyl nuclear power station, but no dates have been given so far. Nuclear power engineering in the Republic is in a state of deepest crisis. Viktor Alekseyev reports from Kiev:

[Alekseyev] Speaking to journalists, Mikhail Umanets, head of the Ukrainian State Atomic Energy Committee, said that the state cannot ensure safe exploitation of nuclear power stations. The reasons for this are fund shortages, fuel shortages, and large-scale loss of qualified personnel. The cost of electric power today is more than double its selling price. In the last one and a half years 8,000 workers have resigned from GosKomAtom, mainly due to dissatisfaction with wages.

The delivery of fuel from Russia in exchange for removed nuclear warheads covers only a quarter of what Ukraine needs. All the rest must be paid for. As a result of all this the production of electric power by nuclear power stations in the third quarter of 1994 has been more than halved.

The Ukrainian president, who participated in the government's meeting, said that nuclear power engineering is in a critical state.

As for criticism of safety at nuclear power stations that was expressed at the Cabinet meeting and directed at GosKomAtom, Mikhail Umanets stated that safety is an economic category. To put it simply, if there is no money there will be no safety.

Liberal Party of Ukraine President Resigns

LD0510215794 Kiev UNIAN in Ukrainian 1810 GMT 5 Oct 94

[FBIS Translated Text] Kiev—Tetyana Kyselyova, vice president of Ukraine's Liberal Party [LPU], on 5 October told a UNIAN correspondent that LPU President Ihor Markulov, who at present is abroad, has sent in a letter of resignation. The letter says that pending an extraordinary congress by the LPU, he entrusts the leadership of the party to the LPU vice presidents, Tetyana Kyselyova and Yuriy Baskakov. "Being unable to carry out my activity in Ukraine, I was and remain a supporter of liberal ideas and in every way possible shall back the LPU in future, as I am not indifferent to the party's destiny and interests, which I put before my personal ambitions," Ihor Markulov declares.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Kazakhstan

Foreign Minister in Talks at UN Session

LD0510184994 Almaty Kazakh Radio Network in Kazakh 0400 GMT 5 Oct 94

[Unattributed report: "Official Delegation of Kazakhstan has Started Work at the 49th Session of the UN General Assembly"]

[FBIS Translated Text] Foreign Minister Kanat Saudabayev, who is heading the delegation, met with Hungarian Foreign Minister Lazslo Kovacs. They discussed creating a basis for boosting cooperation between the two countries and developing mutually beneficial economic relations. During the talks special attention was paid to the preparations for Nazarbayev's forthcoming visit to Hungary. In the Hungarian minister's view this visit will raise the two countries' relations to a genuinely new level.

Kanat Saudabayev met with Angolan Foreign Minister Moura. Their meeting ended with the signing of an agreement on establishing diplomatic relations between the two countries.

The head of the Kazakh Foreign Ministry met with French deputy foreign minister Alain Lamassoure at the latter's request. Lamassoure said that the European Union countries should increase economic aid to Kazakhstan and noted the possibility of founding a fund to support Kazakhstan's social and economic reforms.

Talks between minister Saudabayev and Shamshad Ahmad Secretary General of the Economic Cooperation Organization, also took place.. The participants in the talks discussed relations within the organization. They expressed satisfaction with the development of cooperation in the spheres of transport and communications and noted the necessity of increasing the organization's funds. Ways to step up efforts to broaden relations with Asian countries were discussed too.

Kanat Saudabayev addressed the coordination meeting of foreign ministers of Islamic Conference Organization member-countries. The meeting took place within the framework of the 49th session of the UN General Assembly.

Meets Counterparts in New York

LD0510145994 Almaty Kazakh Radio Network in Kazakh 0200 GMT 5 Oct 94

[FBIS Translated Excerpt] The Kazakh official delegation began its work at the 49th session of the UN General Assembly. The delegation leader, Foreign Minister Kanat Saudabayev, met with Hungarian Foreign Minister Kovacs. Together they analyzed bilateral relations and the development of economic and trade cooperation. Preparations for President Nursultan Nazarbayev's coming visit to Hungary were particularly noted. The Hungarian minister believes that the visit will raise bilateral relations between the two countries to a new high level.

Kanat Saudabayev also met with Angolan Foreign Minister Moura. During the meeting a protocol was signed establishing diplomatic relations between the governments of the two countries. The Kazakh foreign minister received France's Deputy Foreign Minister Lamassoure at the latter's request. Lamassoure noted the need for members of the EC to increase economic aid to Kazakhstan and the possibility of setting up a fund to assist the economic and social reforms in Kazakhstan.

Foreign Minister Kanat Saudabayev also met with the chief secretary of the Organization for Economic Cooperation and Development. [passage omitted]

Saudabeyev spoke at the coordination meeting of the Organization of the Islamic Conference foreign ministers held on the sidelines of under the 49th session of the UN General Assembly.

CSCE Inspection Group in Semipalatinsk

MM0510130394 Moscow KRASNAYA ZVEZDA in Russian 5 Oct 94 p 2

[Report by Anatoliy Ladin: "They Can See Everything From Above..."]

[FBIS Translated Text] Alma-Ata [Almaty]—A CSCE inspection group including U.S. servicemen has been carrying out an inspection in the city of Semipalatinsk since 2 October in accordance with the confidence-and security-building accords. It has been learned from informed sources that on this occasion the inspectors will be carrying out their inspection from the surface and from the air and by both methods at the same time.

Large Drop in Trade With PRC

LD0510184394 Almaty PANORAMA in Russian 1 Oct 94 p2

[Article by Nurlan Makhmudov, head of the Economics Ministry press center: "Volume of Trade Turnover Between Kazakhstan and China Down 32.9 Percent in the First Half of the Year"]

[FBIS Translated Text] The volume of trade turnover between the Republic of Kazakhstan and the People's Republic of China was $114,659,000 in the first half of the year. Goods worth $50,779,000 were imported from China and $63.88 million dollars worth of goods were exported to China. In June the volume of bilateral trade was $421,883,000 (imports from China were worth $2,396,000 and exports were $19,487,000).

A decline in trade turnover can be noted in comparison with the same period last year: the total volume fell by 32.9 percent, including a 34.5 percent drop in imports from China; exports decreased by 31.6 percent. Prior to this growth in trade was the norm in bilateral economic

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

relations: there was an 18 percent rise in the first half of last year in comparison with the same period of 1992.

Government Collects 20 Percent of Grain Order

LD0410221194 Almaty PANORAMA in Russian 1 Oct 94 p 7

[FBIS Translated Text] Only 20 percent of the 5 million tonnes of grain envisaged by the state order has been sold to the state so far. According to a report from the Agriculture Ministry's press center, at the present time 12 million hectares or 57 percent of total sown areas have been harvested. The average yield so far is 87 quintals per hectare, but in the end it will clearly be higher as recent days have produced a harvest of about 10 million tonnes.

About 1 million tonnes out of a planned 5 million tonnes have been sold to the state. Fifty one percent of seed requirements have been supplied. The laying in of seed has been completed in Aktyubinsk, Almaty, Dzhambul, Kustanay, West Kazakhstan, Taldy- Kurgan and South Kazakhstan Regions. The situation in the North Kazakhstan, Semipalatinsk, and Karaganda Regions is somewhat worse.

As regards the speed of harvesting, it should be noted that, for the time being, harvesting in West Kazakhstan and Aktyubinsk Region is being completed three to four days after the weather has settled. Harvesting in the north, particularly in Kustanay Region, has moved forward fairly well. Akmola and Pavlodar Region are behind in harvesting. The weather forecasters say that October's weather, despite its chopping and changing, will allow the grain to be harvested.

Kyrgyzstan

Deputy Premier Receives World Bank Officials

LD0510165994 Bishkek Kyrgyz Radio First Program Network in Kyrgyz 1200 GMT 5 Oct 94

[FBIS Translated Text] Deputy Prime Minister Osmon Ibraimov yesterday received Michael Mills and Carl Haughey, members of the World Bank mission. The chief features of the social security program being drawn up for the population were discussed. The main focus was on the problem of unemployment. Different ways of rendering assistance to Kyrgyzstan by international financial institutions in this area were studied.

Foreigners Trying To 'Plunder' Mineral Wealth

LD0610005394 Bishkek BIZNESMEN in Russian No. 5, Sep 94 p 2

[Article by Ivan Gorodnyanskiy, mining engineer and surveyor, candidate of economic sciences]

[FBIS Translated Text] The first international tender declared by the Kyrgyz Government on 10 June 1994 for investments to develop the Taldy-Bulak Levoberezhniy gold deposit is the first tender not only formally, but also the first in which a Kyrgyz bank, Adil, is taking part as an equal among the foreign investors.

What is better and more profitable for the republic and its people: increasing foreign capital or attracting Kyrgyz capital into the mining complex? What choice do we need to make at this crossroads on our path toward the international community: to create priorities for transnational mining companies, or to create a protectionist system favoring the country's own financial and industrial companies, companies that we can now see emerging in both Kyrgyzstan and Kazakhstan?

These complex, agonizing questions will inevitably face the members of the government tender commission which will reach its final verdict on 20 September.

The object of this article is to analyze and assess both options in order to discern more clearly the true motives of both sides, thus helping the tender commission make a decision.

We have to say right away, so that opponents cannot criticize us, that it would be inadmissible and economically unsound to put foreign and Kyrgyz capital into confrontation or moreover to deliberately cause them to clash, or to limit their aspirations to revive the mining industry and get it going at last.

Whichever party can most fully satisfy not only its own economic interests but also the national interests of the Kyrgyz people should be the winner.

The positive aspects of increasing the amount of foreign capital in our republic is evident, namely the influx of capital and modern technologies, the spread of management experience, assistance in modernizing the economy of the young state, the creation of more jobs, an increase in productivity and decrease in the risk connected with borrowing, etc. On the other hand, as the initial experience of handing over the two major gold deposits, Kumtor and Dzheruy, to foreign investors has shown, the transnational companies are exploiting Kyrgyzstan's economic difficulties and employing the tried-and-tested model for evaluating mining projects used in Third World countries, and in doing so they are effectively proposing to plunder the deposits by picking out the richest part of them and leaving underground mineral deposits which are so poor they lose their commercial value.

The examples are obvious: at Kumtor only 211 t of the 716 t of gold discovered underground are being mined by the Cameco company. At the Dzheruy gold deposit, Morrison-Knudsen is extracting 49 t of gold out of a total of 72 t. The same fate awaits the third and last of the major prospected gold deposits, Taldy-Bulak Levoberezhniy, which contains 74 t of gold. And a fourth one is unlikely in the next 8-10 years. That is the reality.

What makes the foreign companies despoil our deposits when there exist modern, highly effective technologies

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

capable of extracting up to 95 percent of marketable gold in a single production cycle?

Two economic factors play a decisive role here. In the first place, a foreign investor wants to make not only an instantaneous profit from developing deposits, but to recoup the money invested in the mining production in the shortest possible time, because it is working in an area which is known to be politically and economically risky.

In the second place, taking into account the average percentages and the average risk and payment for running a mining project, a foreign investor needs to ensure that the level of the so-called necessary profit rate is at least 20-25 percent of invested capital.

These two factors directly influence the selective extraction of the best deposits, because there is only one way to ensure the above investment conditions: by increasing the gold content of the extracted ore, which cuts off a significant part of a deposit and turns it into a non-commercial mineral stratum which will remain underground forever.

At the same time the investment model for the mining project proposed by the foreign companies is closely linked with the formula for the allocation of net profit from developing a deposit, the economic meaning of which is to allocate profits in proportion to the capital invested. The more capital there is invested, the greater the share of profits received by a foreign investor. This formula pushes a foreign investor into artificially increasing investments in mining projects without any economic justification by spending excessive amounts of money on running the mining projects, while counting on an increase in its share in the profit being allocated.

One cannot avoid seeing the absurdity of this financial scenario for the republic. In terms of the economic interests of the Kyrgyz population and of economic logic in general, a project with minimum capital investments is thought to be the best one. In the case of foreign funding, the heightened amount of the initially invested capital brings profit to the foreign investor and makes the republic squander its money, because in the end the invested capital returns to the foreign investor with a discounted average profit level, and comes out of the economic potential of the republic.

It should be emphasized that the financial model for foreign investors investing in mining projects puts the Kyrgyz side in an unequal and economically unjust position. When it comes to distributing profit from developing a deposit, this model ignores the deposit's natural value which is a product of the positive natural features of the deposit's resources, taking the form of land-rent income or "income from resources." In actual fact, "income from resources" means Kyrgyzstan does not have to be in the humiliating position of asking for foreign investment. That makes it possible for Kyrgyzstan to put forward the natural value of a deposit, inthe form of land-rent income, as a share in developing the deposit, on equal terms with a foreign investor.

If we consider the increase of foreign capital in the mining industry in terms of satisfying the general economic interests of the population of Kyrgyzstan, this increase works in favor of only a narrow circle of workers and specialists who are directly employed in industrial development of the deposit. The rest of the population, who are not directly engaged in developing the deposit, get no access to the economic profit and therefore cannot exercise their constitutional right to the underground wealth of Kyrgyzstan, as provided for in the Law of the Kyrgyz Republic on Underground Resources, in the form of ongoing payments by an investor for exploiting deposits. Utilizing the economic situation in Kyrgyzstan, foreign investors have achieved a excessively favourable tax regime and the removal of most of the payments for exploiting deposits. So, whereas under the Law on Underground Resources the Cameco company ought to pay $221.4 million just for exploiting the deposits during development of the Kumtor gold deposit, then according to the financial model for the mining project, the company has to pay $77.2 million, including all taxes.

The first experience of cooperation with foreign investors in the republic's mining complex showed that foreign companies are interested only in gold, disregarding the prospects for the commercial development of mineral and raw-material resources which had been discovered earlier such as copper, tin, tungsten, bismuth, rare-earth minerals, mercury, antimony and other metals. This way of developing deposits will lead to a one-sided, hypertrophied development of the republic's mining industry.

What are the positive aspects of Kyrgyz investments in mining projects?

First of all one should note that the realities of life objectively point the way towards a combination of Kyrgyz financial capital with industrial capital. Conditions in Kyrgyzstan's mining industry have already matured for the creation of mining finance companies. The same processes are already developingin neighbouring Kazakhstan, where such well-known financial corporations as Ammetist, Kramds Bank, Kazmetalbank and others operate in this way.

The joint-stock commercial bank Adil is the first such national financial institution in Kyrgyzstan.

The formation of a mining finance company to develop Taldy-Bulak and other deposits in the Chuy Region by combining the funds of the Adil joint-stock commercial bank and the huge economic resources of the Kara-Balta mining complex will be the first step in the development of a home-grown mining business. The advantages to the national economy of developing mineral raw materials in this way are obvious.

First, all of the economic revenues from the development of a deposit would be exported; it would remain in

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the republic to be reinvested in expanded production of mineral raw material resources, mining industry complexes and the development of the region's social and industrial infrastructure.

Secondly, it would be not profitable to pick out the best sections of the deposit with the damage to the remainder of the reserves that this would entail—an objective and inherent feature of the Western model of development oriented solely toward Third World states (with which Kyrgyzstan cannot be classed due to its intellectual and technological potential), in which money invested at a high percentage rate has to be returned to the foreign investor (or banker) in the shortest possible time. This model on the whole makes for an artificial, economically unjustified increase in the relative metal content of the ore which is sold, and as a result the selective development of the deposit, plundering the state's mineral raw material potential.

The home-grown financial model of investment, on the other hand, is based on a quite different principle. Combining Kyrgyz financial capital with industrial capital would allow bank interest rates to be reduced as much as possible or even the provision of interest-free credits. It would, moreover, be on a long-term basis, extremely important for the mining business, in which the period from initial financing to the sale of the commodity and the start of revenues takes years. That is why speed of return on investments for the domestic banker is not so important as the total volume of net profit, which is obtained only from the fullest possible extraction of a deposit's prospected reserves, and in the distribution of which the banker participates as a full owner of the industrial finance company.

One can see that such an investment policy would look after not short-term interests in deriving maximum profit over a short period, but long-term interests, designed for the longer outlook. Thirdly, capital investments would be reduced by a policy of being highly economical with them in the management of the project, and through the employment of Kyrgyz managers and specialists.

Fourth, tax receipts for the republican budget would be increased by abolishing the excessively preferential tax regime offered to foreign companies today; all taxes and payments envisaged by the Law on Underground Deposits would be collected in full; and every citizen of Kyrgyzstan would be able to exercise his economic right to ownership of mineral wealth .

Fifth, domestic investment prospects and mining projects relate not only to the commercial development of gold deposits, but also of copper, tin, wolfram, antimony, mercury, and other metals, which allows the whole potential of prospected deposits to be included for development.

Kyrgyzstan's mining community hopes that a just decision by the government tender commission's members will meet the vital interests and needs of the citizens of sovereign Kyrgyzstan, who associate their own future with the effective and careful utilization of its mineral wealth, not its plundering through the Western model for mining projects.

Tajikistan

Officer Killed; 'Decisive Measures' Planned

LD0610011294 Moscow ITAR-TASS World Service in Russian 2345 GMT 5 Oct 94

[By ITAR-TASS]

[FBIS Translated Text] Moscow, 6 Oct—A warrant officer of the Russian border guards who received a fatal wound as a result of grenade-thrower fire on one of the thoroughfares of Dushanbe died as he was being taken to an army hospital. It was reported to ITAR-TASS today by the press office of the Russian Federation border guards that this occurred on Wednesday at 1630. Two shots were fired at a "Ural" vehicle carrying servicemen, blue and white- collar workers of the separate communications battalion.

As a result of a grenade explosion, warrant officer Oleg Barilov received a serious injury. He died on the way to the army hospital.

The Russian Federation federal border service, according to the press office report, assesses this terrorist act as a striving by individual extremist-inclined individuals to exacerbate the situation and draw the Russian Federation border troops into the inter-Tajik confrontation. These types of actions force the Russian border troops to take very decisive measures aimed at ensuring the personal safety of servicemen. The relevant instructions have been given to the commanders of the Russian Federation group of border troops in Tajikistan by the head of the military postal and courier service.

Opposition To Boycott Presidential Elections

LD0610090894 Moscow ITAR-TASS in English 0833 GMT 6 Oct 94

[By ITAR-TASS correspondent Galina Gridneva]

[FBIS Transcribed Text] Dushanbe October 6 TASS—Representatives of the coalition opposition forces of the Tajik Gorno-Badakhshan autonomous region decided to boycott presidential elections and a referendum on a new Tajik Constitution scheduled for November 6.

Coordinator of the Political Council of the Democratic Opposition, Pamira Ulfat-Khanum, said that the decision was adopted since "there is no objective possibility to hold genuinely free and democratic elections in Tajikistan."

Hundreds of thousands of Tajik citizens live outside Tajikistan, she said. There is a long way to go yet until

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

social-political stability and human rights are guaranteed. Moreover, any of the nominated candidates are representatives from one region only, which, undoubtedly, will intensify the struggle between rivaling groups, Ulfat-Khanum said.

"We support the decision adopted by leaders of other opposition groups, including from outside Tajikistan, who declared that they would not take part in the election campaign. We also support the idea of creating a coalition government for a transitional period. This question will again be raised by opponents of official Dushanbe at the third round of inter-Tajik talks scheduled in Islamabad. Nevertheless, leaders of the democratic opposition are not going to prevent their compatriots from expressing their will. Every resident of the Pamir highlands will freely make his own choice," the coordinator of the opposition council said.

People's deputies of the Gorno-Badakhshan Autonomous Republic adopted a unanimous decision at asession held in Khorog on Wednesday [5 October] night not to nominate a candidate to the presidential post, ITAR-TASS learned from trustworthy sources in the Gorno-Badakhshan administration.

An official resolution adopted at the session says that the number of potential electors on the territory of the region makes up about three per cent from the total number of electors in the republic, while the law on elections envisages that 5 percent of the total number of electors is needed.

A present, the only candidates to the highest state post are the now Tajik leader Emomali Rakhmonov and the Tajik ambassador to the Russian federation, ex-premier Abdumalik Abduladzhanov. The nomination of candidates to the presidential elections will be completed today.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Armenia

Foreign Minister Comments on Azerbaijan

NC0510212394 Paris AFP in English 1452 GMT 5 Oct 94

[FBIS Transcribed Text] Brussels, Oct 5 (AFP)—Armenia's foreign minister said Wednesday [5 October] he wants to see a stable Azerbaijan and does not want any new groups such as NATO involved in trying to resolve the dispute with Baku over the Armenian-majority Nagorno-Karabakh enclave.

When questioned about a reported coup attempt in neighboring Azerbaijan, Vahan Papazyan said his country was "interested in a stable Azerbaijan because only with a stable government will it be possible to find a peaceful solution" to the bloody six-year dispute over the secessionist enclave in Azerbaijan.

He spoke at the headquarters of the North Atlantic Treaty Organization after signing the Partnership for Peace program of military cooperation between NATO and former Eastern bloc states.

He noted that the Conference on Security and Cooperation in Europe (CSCE), which groups all of Europe plus the United States and Canada, has set up a so-called Minsk group to try to mediate the conflict.

"If NATO supports the CSCE and the Minsk Group, I think it will be enough at this stage," Papazyan said. Armenia has backed the enclave's rebels, prompting Azerbaijan to impose a blockade on Armenia that has left that country with a dramatic energy shortage.

Azerbaijan President Geydar Aliyev claimed Wednesday that loyalist troops had put down an armed rebellion in the country's second city of Ganja, ending what he described as a coup attempt.

Spokesman Cites Interest in Azeri Stability

LD0510114394 Moscow ITAR-TASS in English 1103 GMT 5 Oct 94

[By ITAR-TASS correspondent Tigran Liloyan]

[FBIS Transcribed Text] Yerevan October 5 TASS—Armenia is interested in stability in Azerbaijan, an official spokesman for the Armenian president said here commenting on the attempted coup in Baku.

The spokesman, Levon Zurabyan, said in interview with ITAR-TASS that the Armenian side wanted to see Azerbaijan as a stable partner, with whom it was possible to reach agreements, including on the settlement in Nagorno-Karabakh, and to count on implementation of accords reached.

Along with this, the spokesman refrained from voicing any more specific evaluations of the situation in Azerbaijan.

He made it clear nevertheless that Yerevan was closely watching the developments in the neighbouring republic.

Azerbaijanis Restart Military Operations

NC0510112194 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 0729 GMT 5 Oct 94

[FBIS Transcribed Text] Yerevan ("HAYASTANI HANRAPETUTYUN" daily), 10/05/94—The Azeri Army restarted active military operations at the north-western and north-eastern borders of Armenia.

The Azeri units shelled the Armenian defense positions at the village of Verin-Chambarak in the Krasnoselskiy district from 11am till 3pm on October 3, using Howitzers and tanks. No casualties are reported. The Armenian frontier forces refrained from returning the fire.

According to the press service of RA [Republic of Armenia] Defense Ministry, cease-fire has also been violated in the borderline zone of the Araratskiy district. The Azeri units, stationed in Nakhichevan, shelled, using mortars, large caliber machine-guns and other weaponry, the Armenian positions at the village of Paruyr-Sevak from 8:10 till 9:45pm in the evening of October 3. Shelling stopped when the Armenian frontier forces returned the fire. No casualties are reported by the Armenian side.

Papazyan Signs NATO Partnership Agreement

LD0510131794 Moscow ITAR-TASS World Service in Russian 1040 GMT 5 Oct 94

[By ITAR-TASS correspondent Aleksandr Mineyev]

[FBIS Translated Text] Brussels, 5 Oct (ITAR-TASS)—Armenia today joined the Partnership for Peace program, which was proposed early this year to the states of the former Warsaw Pact by the leaders of the NATO countries. The republic's Foreign Minister Vahan Papazyan visited NATO headquarters and signed the program's outline agreement in the presence of members of the NATO Council.

Welcoming Armenia's decision, Acting NATO Secretary General Sergio Balanzino stressed during his meeting with V. Papazyan that the alliance is following developments in the Transcaucasus with keen interest, since that region is vitally important for peace and stability in Eurasia.

Armenia has become one of the last republics of the former Soviet Union to join the NATO partnership program. Only Belarus and Tajikistan have not yet acceded to the program. NATO observers note that for the first time the outline document, which envisions military cooperation, now bears the signatures of two countries divided by an armed conflict, namely Armenia and Azerbaijan.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Trespassers Try To Cross Border From Turkey

NC0510114094 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 0729 GMT 5 Oct 94

[FBIS Transcribed Text] Yerevan ("LRAGIR" daily), 10/05/94—According to "RIA" news agency, Russian frontier guards of the Artashat special frontier district have arrested three armed trespassers, who attempted to cross the border from Turkey to Armenia.

According to the same sources, three pistols and two radio communication devices have been confiscated from them. There are no reports on the nationality of the trespassers yet. Frontier services of the Russian Federation started investigation of the case.

Opposition Parties Begin 'Joint Initiative'

LD0610061994 Moscow ITAR-TASS in English 0534 GMT 6 Oct 94

[By ITAR-TASS corespondent Tigran Liloyan]

[FBIS Transcribed Text] Yerevan October 6 TASS—A number of influential oppositional political parties in Armenia have published a joint initiative aimed at forming a government of national accord.

Their statement to the effect was signed late on Wednesday [5 October] after a series of negotiations. The parties expressed readiness for political cooperation ahead of next year's parliamentary elections.

The statement stresses the opposition's preparedness to form new authorities in Armenia in a constitutional way.

Azerbaijan

Aliyev Addresses Rally 4 Oct

NC0510105294 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 2320 GMT 4 Oct 94

[Speech by President Geydar Aliyev during a rally in Baku on 4 October—recorded]

[FBIS Translated Text] [strong applause] Esteemed sisters, brothers, fellow countrymen, and residents of Baku city. You have sacrificed your sleep and disrupted your hours of relaxation to answer my call to attend this rally, which has been organized in front of the Presidential Palace for the defense of Azerbaijan's statehood. I sincerely thank you.

Azerbaijan's citizens vested their confidence in me and elected me to serve as the president of independent Azerbaijan on 3 October 1993. [applause]

It has been a year now that I have tried to confirm your confidence by doing everything I can to strengthen Azerbaijan's independence, improve the Azerbaijani people's situation, and defend Azerbaijan's territory. I regard that as an honorable obligation and, considering the opportunity I have had to serve the Azerbaijani people, I believe that I am a lucky person. [strong applause]

Our Republic is going through a difficult era in its history. The Armenian Armed Forces have occupied part of our territory. Over 1 million of our citizens have become refugees. A serious economic and social situation exists in the Republic and, as president, I know that Azerbaijan's citizens are living under serious conditions. Many steps have been taken during the past year to remove that situation, strengthen Azerbaijan's independence, and maintain the Republic's territorial integrity. But we have been unable to achieve all that we desire.

Regardless of the conditions they have been faced with, our people have always displayed a sense of patriotism and confirmed their loyalty toward their homeland. Regardless of their difficulties and problems, they have devoted themselves to the defense of Azerbaijan's independence and statehood. Your gathering here at this time of night indicates that we will not relinquish our resistance and bow our heads, regardless of the difficulties and suffering we must handle. We are all united and we are trying to remove the existing situation in Azerbaijan. We are safeguarding Azerbaijan's independence. I am very pleased that you have answered may call. You have come from various parts of the city to gather in this square. Emotional speeches have been made. The people have become excited. They have taken to the streets and gathered in the squares to defend their identity, national pride, statehood, and independence. Thank you very much. I am very pleased. [strong applause]

We have inherited a proverb from our ancestors. It says that unity is a strong force. Nothing can stand against that force. Esteemed Azerbaijani people, you are the people I trust. [strong applause] Thank you.

Considering the serious situation in the Republic, I appealed to you and all the Republic's citizens through the television network yesterday and today. I analyzed the situation and informed you of the steps and measures I have taken as president of the Republic.

Yes, a serious situation has emerged in Azerbaijan during the past few days. You will recall that a state of confrontation was crated some time ago. But as I informed you before, I decided to use all my resources, experience, and knowledge to find a peaceful way to solve the problems through mutual reconciliation and agreement. I am very pleased to say that the measures we have taken have yielded results and the tension has been defused. [strong applause]

The threat of a fratricidal war emerged in our Republic. Bloodshed could have taken place. But we have solved the problems with your help and solidarity. My appeal to you now has touched the people's hearts. It has affected the people and awakened them. All the people have realized that the only problem in the Republic is to obstruct the Armenian aggression against our people,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

liberate our occupied territories, help the refugees return to their homes, and safeguard Azerbaijan's independence. The people have realized all that. Even our young people who served in the special police units realize it. Rovshan Dzhavadov himself came here to support us. He said that he has worked and fought for Azerbaijan's independence in the past and will continue to do so in the future. He said he will work to support Azerbaijan's statehood. He is together with us today. He is together with the president of Azerbaijan. [strong applause]

I informed you in my appeals on television in the past that the dark forces in and outside Azerbaijan immediately move to benefit from the tension in the Republic. Regrettably, such forces and groups exist among us. They have rallied around the conflict, taken measures, and tried to further provoke the situation and create clashes among the people.

Stability in the Republic can be disrupted and Azerbaijan's statehood can be threatened. That is a reality. That is why I have appealed to you. I believe that the dark forces, dirty individuals who harbor ugly intentions, and the forces abroad that try to destroy our homeland will draw conclusions from the solidarity and unity of our people. I believe in the people and I trust the people. Thank you for rallying here today. [strong applause]

I have already informed Azerbaijan's people that the situation can create many serious problems for us. Regrettably, my views have been confirmed by recent developments. Armed groups in Ganja, which are controlled by individuals both in and outside Azerbaijan, have tried to stage a coup against the government. They occupied the buildings that house the city and rayon executive authorities in Ganja. They also occupied the airport, the railway station, the state security administration, and other administrations. They tried to stage a coup in Azerbaijan. But they committed a crime against the people and the state. Those who supported them also committed a crime. He [not further identified] should have realized that such an attempt should not have been made when a grave situation already existed in Azerbaijan. He failed to understand the respect shown him so far and chose a disgusting path. [shouts]

However, I can inform you that the healthy forces in Ganja have now risen to their feet and are capturing and eliminating the occupationists, usurpers, and those who violated Azerbaijan's statehood. They are arresting them and removing them from the scene. Now the citizens in Ganja are hearing me on television and I greet them from here, Baku, from Azerbaijan's capital. I express my respects to the people of Ganja, and I want to declare that I am sure they will overcome those enemy forces, that peace and stability will be restored in Ganja, and the jurisdiction of the Azerbaijani state and president will be restored. [strong applause]

Those forces also tried to create disorder in Yevlakh, which is near Ganja. They made attempts in that city. But their attempts failed to yield a result. The people and state organs in Yevlakh obstructed them. I wish to tell those forces, including those that are involved in subversive activities against Azerbaijan's statehood, that their attempts will not succeed. No one must worry. Everyone must realize that. [strong applause] Certain forces wage a struggle against the government to promote their interests at a time when a serious situation exists in Azerbaijan. That is an act of treachery and it harms Azerbaijan. We will never allow the treacherous elements to realize their disgusting objectives. The solidarity of Azerbaijan's people guarantees that. [strong applause]

I have appealed to all our citizens and people to unite and act with solidarity. I have called on all the political parties, social organizations, and every patriotic citizen to unite and act with solidarity. I am very pleased that the people have answered my call. The people who have rallied in front of the president's residence represent all the social and political sectors in the Republic. That is a wonderful development and achievement that has made me very happy. You can rest assured that I will do everything I can to draw the people closer and unite the people, organizations, and forces in the Republic to maintain Azerbaijan's independence. [strong applause]

I focused particular attention on women, mothers, sisters, and girls, in my appeal today. Women have always been very active in our society. I have often observed how daring the women are in times of difficulty. The presence of women in this rally tonight, particularly women with babies or children in their arms, shows the high values of our people. God bless our women. [strong applause] God bless our mothers, sisters, and elderly people. God bless our young people. God bless Azerbaijan's people. [strong applause]

The way the residents of Baku and the people of the Republic have demonstrated their might today demonstrates our firm and steadfast position. But, esteemed sisters, brothers, and fellow countrymen, you must realize that we will confront many problems, problems that will test our stance. Several forces want to attack Azerbaijan's independence right now. Yes, they exist in the Republic and abroad. So I thank you for the enthusiasm and patriotic feelings you have displayed today. I also thank you for the organized way you have rallied. But I also wish to call on you to be vigilant. I call on you to make an effort to obstruct the forces that are opposed to our way of life and contribute toward Azerbaijan's internal and external stability. That is one of Azerbaijan's major problems, the settlement of which will provide for the removal of the state of war and maintaining the Republic's independence and territorial integrity. I urge you to take part in that effort. I also wish to say that we rest assured that you will closely cooperate with us and with me. [strong applause]

Esteemed fellow countrymen, I embrace all the people who have gathered here in this sacred square tonight. I also embrace the citizens of Baku and all the other fellow countrymen. I wholeheartedly embrace and kiss you all. [strong applause]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

I convey to you my respects and affection and wish you happiness. I also wish you success in your work. [strong applause] God bless Azerbaijan's proud and mighty people. [strong applause] Long live independent and unyielding Azerbaijan. [strong applause] I wish to thank you again for this rally. I wish you health and happiness. Thank you. [strong applause]

Aliyev Appeals for International Support

NC0510163194 Baku Radio Baku International Service in Azeri 1300 GMT 5 Oct 94

[FBIS Translated Text] President Geydar Aliyev has appealed to all the countries, governments, and international (?parliamentarians). He said:

Esteemed gentlemen, the Azerbaijan Republic, which has established a democratic state and [words indistinct] with the entire world, is confronted with a threat. Forces that are directly controlled from abroad have attempted to stage a coup. As the president of Azerbaijan, I have moved to take all the necessary measures to realize the will of our people and defend their state organization, independence, and freedom.

I appeal to you at this difficult time to urge you to use all your resources to contribute toward the effort that is being made to safeguard Azerbaijan's lawful leaders and the people's independence and sovereignty and obstruct acts of violence and reactionary activities.

Aliyev Assesses Blame in 5 Oct Speech

NC0510192694 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1300 GMT 5 Oct 94

[Address by President Geydar Aliyev during rally at Baku's Azadlyk Square on 5 October—live]

[FBIS Translated Text] [loud applause] Esteemed compatriots, sisters and brothers, beloved Azerbaijani people. Complex events have taken place in Azerbaijan in recent days. Our society has gone through a very tense situation. I addressed the Azerbaijani people in connection with these events and requested them to rise up in defense of the independent Azerbaijani state. I have always placed my hopes on the people, always trusted the people, and always known the strength and perspicaciousness of the people. In recent days the Azerbaijani people once again displayed their unity and national solidarity. They showed that the Azerbaijani people, who attained national freedom, are invincible, firm, and brave. [loud applause]

The Azerbaijani people have traversed a very difficult and complex road since Azerbaijan attained independence. Forces trying to obstruct the advance of our independence, forces outside and inside Azerbaijan including disparate groups, are taking advantage of this opportunity to harm and violate our independence for their personal objectives. That is why our lives in recent years have been complex and difficult. However, we are soothed and pleased with the fact that the Azerbaijani people are overcoming, and will go on overcoming, these adversities and traversing this difficult path honorably and with resolve. The people will march forward with great strides and confidence towards Azerbaijan's independence. [strong applause]

Following my televised address yesterday, the people rose to their feet. Cables and telephone calls are coming from everywhere and rallies are being held in every city and town of Azerbaijan. Society is expressing its solidarity; the people have arisen to defend Azerbaijan's independence. Representatives and large groups have come from many cities and rayons of Azerbaijan to join the residents of Baku here today. Beloved brothers, sisters, and compatriots, I sincerely greet you here at Azadlyk Square and express my thanks to you for gathering here today and for your readiness to defend Azerbaijan's independence. Thank you! [loud applause]

The events of recent days were aimed at undermining Azerbaijan's independence—forcing it out of its path of independence and obstructing its development along an independent path—and at undermining the domestic social stability in Azerbaijan. In general, such incidents are part of plans made to destroy, divide, and annihilate Azerbaijan as an independent state. However, let everyone know that none of these plans will be realized, the Azerbaijani people will not allow this, and that Azerbaijan will be independent. [loud applause]

Various domestic and foreign press have reported information in recent months on the preparation for a coup d'etat in Azerbaijan. Often I did not believe in such reports, or I used to approach it coolly because I knew that—and this was proven once more today—our people are capable of defending the independent state and no force could bring about a coup d'etat in Azerbaijan. [loud applause]

The armed confrontation resulting from the lawless acts of some groups of Azerbaijani Special Purpose Militia [OMON] three days ago has been resolved peacefully. [applause] The situation was very tense and critical. I understood that there are people who push youths from the correct path, there are those who push them toward foul ways, and that there are extremely loathsome enemy forces controlling them. Therefore, I worked hard and showed concern so that we could clarify these matters, and we clarified them. I worked hard and as a result we resolved this problem peacefully. OMON has returned a part of its arms and will return the remaining portion. They [OMON members] will henceforth continue working for the sake of Azerbaijan's independence, like the persevering Azerbaijani citizens and like the fighters that they once were on the fronts. [loud applause]

You must know that the recent tragic incidents in Azerbaijan were, I repeat, acts of usurpation and violence directed against Azerbaijan's sovereignty and independence. Four state criminals, that is murderers, were spirited out of prison. This is a very frightening incident.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Then, two Azerbaijani government officials, Afiaddin Dzhalilov and Shemsi Rahimov, were cruelly murdered. This, too, is a tragic incident. These acts are political terrorism. These acts are political terrorism directed not only against the lives of those people but against Azerbaijan's independence. Finally, we come to the recent events. The incidents that took place in recent days were implemented in accordance with plans prepared by the internal enemies based outside. Some of these plans were made in Moscow. In saying Moscow, I mean to say that these plans are being prepared by enemies like [Ayaz] Mutalibov and Vagif Guseynov who have fled and betrayed Azerbaijan. [strong applause] You must know that they and related criminal forces are now active in Azerbaijan. But, they, and all should know that we have prevented and will prevent such attempts, and they will never be able to achieve their loathsome aims here. They should come here and give account to the Azerbaijani people for crimes they committed, and should be convicted. [applause]

Terrorism, especially political terrorism, is the most horrible crime. They are also preparing some plots and acts of terror against me. A terrorist group was detained last September in Baku. You know that the members were convicted. They were ready to make an attempt on my life, but were captured while carrying out their act. Some members of the People's Front deceived a Turkish citizen, a young man called Hasan Toku, and brought him here to carry out an attempt on my life. They were captured and tried. Yet, some people draw no conclusions from this and are still trying to resort to terrorism. Surely, our people will not give way to this. At the same time, let everyone know that I have worked for the sake of Azerbaijan's independence and sovereignty and our territorial integrity. I am not afraid and will not be afraid of any act of terror. [strong applause]

I want to state with deep regret that a few of those terrorist criminals who made an attempt on my life are hiding in Keleki near the former president, Abulfaz Elchibey. [shouts from the square] I appreciate Abulfaz Elchibey's services in the attainment of Azerbaijan's national freedom, and I admit this today. However, at the same time no one should resort to arms or engage in terrorism, rather all illegal armed formations should be disarmed. Therefore, once again I express my disgust with those people who have chosen the path of political terrorism and I call on the people to expose them. [prolonged applause]

I can assure you that the murderers who assassinated Afiaddin Dzhalilov and Shemsi Rahimov will also be captured and punished. This is a warning to all terrorists. Let them know that such horrible crimes are not only aimed at specific persons but are treason against independent Azerbaijan, and I don't want you to (?succumb) to such treason. [applause]

Regrettably, some enemy forces in Ganja have tried to exploit the situation of recent days. It is very regrettable, but while we had peacefully resolved the incident here, I was informed that a large armed unit had occupied Ganja. It could be said that it carried out a coup d'etat in Ganja; it occupied the state organs, closed all entrances and exits, occupied the airport and railway station, and committed lawless acts there. Soon after being informed about this, I launched an investigation. It was difficult to establish contact with Ganja because all the lines were cut off. Who was doing this and how? I appealed to Prime Minister Suret Guseynov. You know that he is from Ganja and he has some supporters and armed forces, regrettably they are secret armed forces. [loud applause]

In view of this, I appealed to him, informing him of the start of such an incident. Suret Guseynov said that he was unaware of it and would investigate. After a while I again requested that he investigate. He said he had investigated and that this was the work of OMON. After a while, I received information that it was not OMON, but the secret armed units there, and that they were headed by various people close to Suret Guseynov, including people who worked with him on the Council of Ministers. [strong reaction from the square] They went there and guided these actions. After being informed about this, I invited Suret Guseynov to come to me for an investigation. Unfortunately, he did not come. After that, my telephone contact with him was lost. After I gave brief information on this in my televised address, he telephoned me. I informed him that such things are unseemly, we are working together within the state structure, and a man heading a government should not participate in a coup d'etat. Therefore, I again invited him to visit me. But he did not come. He is here with me now. I am saying things openly and concealing nothing. I condemn such incidents, and such things should not happen in our body politics. [strong reaction from the square]

We had to make use of the Army's power to prevent these incidents in Ganja. The Army, please be calm, has been carrying out an operation there since yesterday night. As a result of this, these criminals, some of the people who attempted a coup d'etat in Ganja, were captured, and some escaped, including Suret Guseynov's relative Keramet, who was heading this movement. He, too, fled. Please be calm, be calm. [people continue to react] You must, however, realize what enormous harm such crimes do to us. Three young fighters of our Army died during the operation carried out last night. [strong reaction from people as Aliyev reads out their names] Sergeant Musayev Akif, Sgt. Amedov Nati, and Senior Sgt. Nuriyev Elnur. They are from Kazakh, Zakatala, and Zangelan. These three sergeants, our young Army fighters, died in fighting yesterday while trying to eliminate this crime. They died heroically, and I bow in their memory and pray for God's mercy. I request we observe a minute of silence in their memory. [a minute of silence observed] May God bless them. [crowd shouts "Amen"] May they sleep in radiance. And let their parents know

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

that they died in the defense of Azerbaijan's independence. Therefore, I have issued a decree today awarding the title Azerbaijan National Hero to these three young Army fighters. [loud applause] Commanders Rovshan Akberov and Fakrattin Dzhbarailov, who lead the operation, have been given the High Order of Azerbaijan. [applause]

Regrettably, some of these criminals escaped, but some of them were arrested and have been brought to Baku. An investigation will begin and criminal proceedings will be instituted against all those who attempted this coup d'etat. [shouts from the crowd]

Imagine the enormous harm and injuries done to our society, country, nation by those people who openly chose ugly paths to realize their goal of taking over power. Damn all of them. [crowd shouts in approval]

These same forces tried to destabilize the situation and overthrow the state in Yevlakh and Khanlarskiy rayon yesterday. However, such attempts were checked. The director of the Yevlakh wool enterprise, who was engaged in these actions, has now fled and is being sought. [comments from the crowd] Please, be calm, be calm. All these things show once again that there are among us people who want to undermine Azerbaijan's domestic stability for the sake of their personal interests. At the same time, the operation carried out last night also shows that the Azerbaijani state, its armed forces, and its state power is at a high level of preparedness, and that we can obstruct any seditious or genocidal forces and we will allow no one to realize such ugly objectives. [loud applause]

These events taking place in Azerbaijan are at the center of world attention. The international media are disseminating reports on the latest situation and events in Azerbaijan. At the same time, countries are announcing their solidarity with the Azerbaijani state. The ambassadors of foreign countries accredited to Baku are among our ranks here today. They, too, have accompanied us here, they are among us. Availing myself of this opportunity, I express my thanks to the foreign countries' ambassadors and diplomats accredited to Azerbaijan. I greet them and express my gratitude to them for being with us on this grave day. Thank you. [loud applause]

The heads of major states, or their state organs, issued statements on this issue. Turkish President Suleyman Demirel immediately telephoned me and asked for information and expressed his solidarity with us. The U.S. State Department; the British Foreign Ministry; the foreign ministries of France, Iran, and other countries issued statements in the name of their governments. At the instructions of Russian President Boris Yeltsin, his personal representative telephoned me this morning and said that the Russian Government and its president followed the incidents here with extreme concern, condemned the crimes here, and approved of the actions of the Azerbaijani state. Thus, we see the interest shown by the major states and international community in developments in Azerbaijan, and of the fact that the heads of state are supporting the Azerbaijani Government. In view of all these things, I convey my thanks and gratitude to the heads of state and state organs of foreign countries.

Beloved compatriots, your gathering in this square, the rally in front of the presidential building overnight until morning, today's rally, and the rallies taking place in cities and rayons all prove once more that our Azerbaijani people are putting up with all the hardships and are working for independence. They also show that the people are united in this grave period when Armenia's aggression against us has intensified, 20 percent of our lands have been occupied, more than one million refugees are in Azerbaijan, and our economic and social situation is grave. In view of this solidarity, I thank you and express my gratitude for your services for Azerbaijan's independence, for your presence at the rallies last night and today, and for the things you said here in support of the state and myself. [prolonged applause]

At the same time, I want to point out that the enemy is trying to undermine our internal social and political stability; it wants to harm our economy, it wants to usurp Azerbaijan's independence. Therefore, we must unite even closer, show serious concern about events, and work so that henceforth no such incidents will take place in our Republic. I am sure of you, I trust and rely on you. [loud applause]

The major problem facing the Azerbaijani people is to extricate themselves from the war. As you know, the cease-fire has been in place for nearly five months now thanks to talks and the policy we conducted. There is no shooting on the fronts. We are trying to take advantage of the cease-fire to achieve a major political agreement, which will solve the problem and regain our lands peacefully. We do not want to wage war. I have announced this to the entire world. I also stated this at the UN podium while visiting the United States recently and during my talks with U.S. President Bill Clinton and with other state officials. I am saying it again: We want peace, we want to end the war peacefully. We have these conditions: The occupied lands of Azerbaijan must be returned, the Armenian Armed Forces must withdraw from these lands, Azerbaijani refugees must return to their homes, Azerbaijan's territorial integrity must be guaranteed, Shushinskiy and Lachinskiy rayons must also be liberated, and the inviolability of Azerbaijan's borders must be ensured. [prolonged applause]

We are holding, and will continue to hold, talks on the bases of these conditions. And I am sure that we will bring these talks to a conclusion and establish peace with the trust you have shown in us. We favor peace. We want peace. The Azerbaijani people are peace loving and we will continue on the path of peace. [applause]

However, we need social and political stability in very corner of our Republic to solve these problems and to extricate Azerbaijan from the social and economic crisis.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

I request from all of you, I appeal to each of you, to fulfill his duty of citizenship and patriotism; let him defend social and political stability. All of us united can solve our major problem, ending the war and liberating our lands. I invite you to this path. I am together with you in this. I trust and rely on you. [applause]

Beloved compatriots, sisters and brothers, I press you to my heart, I embrace you, and I express my respect and thanks to each of you for your courage, bravery, patriotism, and strong sense of citizenship. Thank you [loud applause]

I once more invite the Azerbaijani people, all the political forces and parties, and sociopolitical organizations to solidarity; I invite all the elderly and respectable people to solidarity. I trust Azerbaijani youth and invite them to national solidarity. I appeal to our Islamic religion's officials: I invite them to action to (?activate) our people by making use of Azerbaijan's spiritual and national values to create peace and stability. I invite all of you to unity. I express my respects to you. I kiss you all, I embrace you, and express my respects to you. [prolonged loud applause]

Forward in the name of Azerbaijan's independence! [loud applause]

I wish better days for the kindly Azerbaijani people!

Long live the independent Azerbaijani Republic!

Thank you, thank you, thank you. [prolonged applause]

President Aliyev Dismisses Prime Minister Guseynov

NC0610162094 Paris AFP in English 1610 GMT 6 Oct 94

[FBIS Transcribed Text] Moscow, Oct 6 (AFP)—Azerbaijani President Geydar Aliyev dismissed Prime Minister Suret Guseynov on Thursday, accusing him of being behind a coup attempt earlier this week, the Azerbaijani news agency TURAN reported.

The agency, quoting sources in Aliyev's office, said the decision was due to be confirmed later Thursday by the country's parliament.

Guseynov Denies Charges

NC0510214394 Baku TURAN in English 1016 GMT 5 Oct 94

[Text] Baku, October 5 (TURAN)—Today at 5.00 a.m. [a] press-conference of Azerbaijan's Prime Minister Suret Guseynov, began.

Suret Guseynov said that recently there have been consultations in Presidential staff, during which appeals to settle the conflict with Deputy Minister of Internal Affairs, Rovshan Dzhavadov, militarily were heard. "Everybody can confirm that I was against that since I do not wish to spill the blood of the population", mentioned Suret Guseynov.

He said that the developments in Baku caused anxiety among Ganja's population, which has respect to those fighters, who passed through the Karabakh war. Moreover, corruption and bribery are flourishing in Ganja and Executive Powers of Ganja city are to blame for that. All these dissatisfactions and events in Baku have become the trigger for the protest of local population. "I promised President Aliyev to settle all the problems arisen in Ganja city", Azeri Premier said.

At 22:30 p.m. President Aliyev spoke with Suret Guseynov for the last time and the latter again confirmed that he ordered to take measures to restore order in Ganja city. "After that I went to have supper and at that time President Aliyev phoned me, but, naturally, I did not hear the call", said Azeri Premier.

"Though President Aliyev in his televised address to the nation said that he knows nothing about my location, I did not go out and was in my cabinet", Azeri Premier added. He mentioned that he does not know a thing about President Aliyev's game and its purpose.

Suret Guseynov said that President Aliyev promised him to told the rally participants that Premier is in Baku. "But he did not do that and I have take my own measures now", mentioned Guseynov.

"I have nothing against President Aliyev and if I had sought for power, I would have taken it last year. I had power, but I decided that Geydar Aliyev deserves to occupy the office of president", Premier said. However, President Aliyev wishes to show me like an enemy. "There have been several attempts to show that I am against market economy, but it is not true. I come out for restoration of justice and legitimacy, liquidation of corruption and bribery and then transition to market economy" he added.

Suret Guseynov also mentioned that governmental troops are sent to Ganja city by Speaker Rasul Guliyev. The situation is tense and they try to draw me into his game, though I always tried to avoid such kind of events", added Guseynov.

According to Suret Guseynov, until the last minute not a drop of blood was spilled in Ganja. "I told the Speaker Rasul Guliyev, that if blood be spilled, President Aliyev will be to blame for that", added Premier. Suret Guseynov said that the Azeri leadership does not wish to reconcile itself with him. "It does not become President to behave like that", said Premier. Suret Guseynov also mentioned that today he is to meet with President Aliyev and will try to settle all the issues. I think that all the issues and possible conflicts must be settled peacefully. "They try to remove me since I prevent them from embezzlement of the country. I am drawn in a dirty game", stressed Azeri Premier.

Spokesman Says Guseynov 'Finished'

NC0510130394 Paris AFP in English 1219 GMT 5 Oct 94

[Report by Chris Bird]

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

[FBIS Transcribed Text] Baku, Oct 5 (AFP)—Azerbaijan President Geydar Aliyev claimed Wednesday [5 October] that loyalist troops had put down an armed rebellion in the country's second city of Ganja, ending what he described as a coup attempt.

But confusion and uncertainty still surrounded the balance of forces in the political crisis that has engulfed the republic since last Thursday, when two close Aliyev allies were assassinated in Baku.

"The rebellion is finished," said a spokesman at the presidential office who would not give details of how the revolt was crushed. But earlier reports from the area spoke of skirmishes between loyalist and rebel soldiers in the city.

Several thousand Azeris converged on Azadlyg Square in Baku Wednesday, carrying banners and portraits in support of Aliyev, who was scheduled to address the rally.

However, a government source asserted that Aliyev still faced tough challenges ahead and said Prime Minister Suret Guseynov, who Aliyev accused Tuesday of fomenting the rebellion, could still count on considerable support in the army.

At a hastily-convened press conference in Baku Wednesday, Guseynov denied any involvement in the coup attempt. Guseynov, a former army colonel, led a bloodless military coup in 1993 on which Aliyev rode to power.

"He (Guseynov) is finished politically but he has friends in the military—it will take time to remove him," said the source, who claimed Guseynov turned back from Ganja late Tuesday after deciding the odds were against him.

Western diplomatic sources said they were taking Guseynov's protests of loyalty to Aliyev "with a pinch of salt."

They also questioned the sincerity of a reported reconciliation between Aliyev and another restive government official, Deputy Interior Minister rovshan Dzhavadov, who led a weekend revolt of ministry troops in Baku.

Dzhavadov's troops stormed the general procurator's office over the weekend in protest at the arrest of three ministry soldiers for alleged involvement in last week's assassination of two Aliyev aides.

Dzhavadov later took refuge in a barracks with some 200 troops backed by tanks and heavy armour.

But by Wednesday, government tanks and a substantial number of government troops had been removed from around the barracks in the east of the capital and Dzhavadov's forces were also said to have been withdrawn from the area after a reported agreement between the two sides.

"I support the constitution, the president," Dzhavadov told AFP Wednesday at the barracks after the reported agreement with Aliyev.

However, he gave no details of the alleged accord and was still demanding the removal of the powerful parliamentary speaker, Rasul Guliyev.

The government source said, "It is difficult to tell where he (Dzhavadov) stands."

The coup attempt in Ganja followed the escape from a maximum security prison of four of Aliyev's political opponents, the assassination of the two Aliyev allies, a bomb attack in Baku Tuesday and the government's armed stand-off with Dzhavadov.

Azerbaijani government and Western diplomatic sources said they believed Russia had a hand in destabilising the political situation in the Transcaucasian republic.

They claimed Russia was opposed to a multi-billion dollar joint venture contract signed by Azerbaijan with a western consortium last month to develop the country's rich offshore oil reserves.

Russia feared the contract would impinge on its traditional sphere of influence, the sources said.

"We're monitoring events, we're being cautious but it's business as usual," said an official for one of the western partners in the oil consortium.

But many oilmen privately fear the political confusion could have serious consequences for the contract, which was up for ratification by the Azerbaijani parliament at the end of this month.

Dzhavadov Trying 'To Help Aliyev Work Normally'

MM0510114594 Moscow KOMSOMOLSKAYA PRAVDA in Russian 5 Oct 94 p 1

[Report by Svetlana Turyalay: "Rebellion on the President's Behalf? Our Correspondent Reports from the Rebels' Base on the Outskirts of Baku"]

[FBIS Translated Text] Baku—rovshan Dzhavadov, the rebellious deputy internal affairs minister of Azerbaijan, who seized the republic prosecutor's office and General Prosecutor Ali Omarov himself on Sunday night, is still, along with his subordinates—special police detachment members—at his base on the outskirts of Baku.

I spent several hours of the night in the "lair" of rovshan Dzhavadov's gallant men. The unquestioning devotion of the men of the special police detachment to their commander is simply striking—they are ready to defend him to the death. And these are in no way callow youths intoxicated by their commander's authority. They have all fought on the most difficult sections of the Karabakh front. rovshan Dzhavadov's name is surrounded with an aura of heroism. Today the young leader of the special

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

police detachment has taken on the role of an Azerbaijani Robin Hood who endeavors not just to expose but to secure the resignation of certain, in his opinion, unworthy politicians who have brought the name of the president of Azerbaijan into disrepute: Such are, according to Dzhavadov, Rasul Guliyev, chairman of the Supreme Council; Ali Omarov, general prosecutor of the republic; and Ramil Usubov, minister of internal affairs.

rovshan Dzhavadov's office was crowded and smoky, and the actual base was absolutely teeming with men in camouflage gear carrying assault rifles. As night drew on more and more people from different ends of the city gathered there.

When they realized that a KOMSOMOLSKAYA PRAVDA correspondent was in their midst they surrounded me. Someone asked me to convey regards to Sasha Khokhlov, KOMSOMOLSKAYA PRAVDA's military correspondent, whom they had met somewhere on the Karabakh front several years back. "We have no wish to shed our brothers' blood and won't therefore open fire first. But if we are fired upon we will be forced to respond," the special police detachment men said.

During the nighttime interview rovshan Dzhavadov categorically denied that he was trying to carry out a coup d'etat. He was also at a loss to understand why he should be accused of organizing the murder of Afiatdin Dzhalilov, the vice speaker, and Shamsi Ragimov, chief of the presidential staff's special administration. The seizure of the republic prosecutor's office was carried out solely to secure the removal of General Prosecutor Ali Omarov, "a bribe-taker on a specially large scale."

"I want to help President Geydar Aliyev to work normally and to rid him of an entourage which brings discredit upon him," rovshan Dzhavadov stated. The name of the speaker of the Azerbaijan parliament, Rasul Guliyev, figures perhaps most often throughout this episode. According to the deputy internal affairs minister, the speaker has a list of 120 people whom Guliyev intends to physically remove, and Dzhavadov's name is in nowhere near last place on it.

Late in the night of 4 October Azerbaijan President Geydar Aliyev assembled representatives of various political parties in order to find a joint solution to the current situation. Aliyev stated that he had signed an edict introducing a state of emergency and a curfew.

Aliyev Accepts Dzhavadov Terms for Peace

NC0510211094 Baku TURAN in English 1056 GMT 5 Oct 94

[Text] Baku, October 5 (TURAN)—Last night Geydar Aliyev agreed to meet Rovshan Dzhavadov's demands, TURAN was told by one of the associates of Dzhavadov's brothers.

There were three demands: dismissal of the Speaker Rasul Guliyev and of Interior Minister Ramil Usubov and call of the session of Supreme Council [Soviet]. All these matters are to be discussed today at the Milli Mejlis's session, according to the same source.

Today the employees of Police Division of Special Purpose (PDSP) have returned to governmental troops 6 tanks and 3 units military hardware, which were captured on the eve. That occurred after Rovshan Dzhavadov's meeting with Geydar Aliyev.

Rasul Guliyev might not agree with his dismissal, as nobody can guarantee his security under the conditions, according to observers. Taking that into account there can be some complications at the Milli Mejlis's session.

Aliyev Talks With OMON Commander

LD0510164094 Moscow INTERFAX in English 1550 GMT 5 Oct 94

[FBIS Transcribed Text] The Azeri parliament, on its October 5 session, approved a decree by President Geydar Aliyev on introducing a state of emergency in Baku beginning October 3, at 8 p.m..

The parliament will continue work on Thursday.

The state of emergency was introduced in Baku after special police seized the building of the Prosecutor General's Office on the night of October 2. The special police commander, Deputy Azeri Interior Minister rovshan Dzhavadov, said the action was motivated by the arrest of two current and one former special policemen who were accused of the assassination in Baku last week of Azeri Parliament Vice Chairman Afiyaddin Djalilov and chief of the special department under the Azeri president Shamsi Ragimov.

Dzhavadov also said that his actions were not an attempted coup, as they were viewed by the president, but were aimed at restoring justice. Meanwhile, the special police base in Baku is surrounded by government forces.

A source in the presidential administration told INTERFAX that talks will continue between Aliyev and Dzhavadov under the mediation of leader of the National Independence Party Etibar Mamedov.

An INTERFAX Correspondent reports from Baku that the situation is calm in the city, enterprises, offices and public transport are all operating as normal. On Wednesday the subway will be free "to facilitate the people's arrival to the public rally in support of President Aliyev," scheduled for 3 p.m. at the central square in Baku.

Dzhavadov To Resolve Problems 'Through Legal Means'

LD0510010894 Tehran IRNA in English 2321 GMT 4 Oct 94

[FBIS Transcribed Text] Baku, Oct. 4, IRNA—Toting a gun, commander of the special forces of Azerbaijan,

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Rovshan Dzhavadov, addressed thousands of supporters of Gaydar Aliyev who are gathered in front of the presidential palace here.

"We will resolve our problems through legal means," said the deputy interior minister whose special police forces are suspected of having staged a rebellion in Ganjeh, 300 km northwest of here, against the central government of Gaydar Aliyev.

"The special forces will defend the territorial integrity and independence of Azerbaijan," he told the crowd that is bound to hold a vigil tonight in front of the president's palace to avert a coup.

Observers here believe that the very presence of Dzhavadov in front of the presidential palace is an indication of his support for Aliyev.

In a televised message to the people tonight Aliyev appealed to the people to take to the streets of Baku and gather in front of the presidential palace to foil what he termed a coup by the forces that had taken over Ganja and parts of Baku.

Aliyev Receives Letters of Support

NC0510170094 Baku Radio International Service in Azeri 1300 GMT 5 Oct 94

[FBIS Translated Text] Appeals, letters, and telegrams have been addressed to President Aliyev from all sectors of Azerbaijan. Owners of various businesses have written to Aliyev to inform him that all the people have rallied around him and wish him success in the struggle he wages to safeguard independent Azerbaijan's unity. They said: We support all the work President Aliyev has carried out to safeguard and consolidate our Republic's independence. We approve of the president's appeals to the Azerbaijani people and stress that we fully agree with him. Our people urge President Aliyev to see to it that the adventurist elements are quickly arrested and the most effective measures are taken against them and their supporters. We are convinced that Azerbaijan's people [words indistinct] and they will gain confidence in enhancing their independence under President Aliyev's leadership.

Trade Unions Decry 'Terrorist Acts'

954K0026B Baku GUNAY in Russian 5 Oct 94 p 1

[Unattributed ANS-PRESS report on trade unions' appeal]

[FBIS Translated Text] On behalf of the district committees, the Confederation of Trade Unions of Azerbaijan (KPA) has issued a note that expresses concern at the terrorist acts that have occurred in recent days.

The document says, in particular: "We were shocked by the brutal assassination of Afiyaddin Dzhalilov, vice speaker of parliament, and certain senior officials. We believe that the main culprits of these events are the forces inside and outside of the country that have an interest in a destabilization of the political situation and also the irresponsibility of senior officials and the low level of discipline, sloppiness, and nonperformance of their official duties of the law enforcement authorities."

The KPA calls in its appeal for the unification of all political parties and movements for the preservation of the country's sovereignty and independence and also for the people to remain calm.

The document expresses the KPA's demands that the state authorities put an end to terrorism and lawlessness.

Parties' Statement on Leaders' 'Wrong Policy'

NC0610074294 Baku TURAN in English 1542 GMT 5 Oct 94

[FBIS Transcribed Text] Baku (October 5) TURAN—Some parties, including "Yurddash", "Dogru Yol" [True Path], "Independent Azerbaijan", "Union of Baku and Villages" and "Movement for Karabakh Independence" adopted a joint appeal due to social and political situation in the country. The statement reads that wrong policy of present leadership over the last year and a half has brought to that sad situation.

"Economic crisis in Azerbaijan has reached the highest point and a great part of population is in poverty. Unwilling withstanding in the society is increasing. Anarchy, terror have a mass character," reads the statement.

"We believe that under such a situation use of force is unpermittable, as it can bring the country to deadlock. The problem should be resolved peacefully by means of consultations and negotiations," reads the statement.

Armed Men Attempting To 'Seize Power' in Yevlakh

NC0510214794 Baku TURAN in English 1016 GMT 5 October 94

[Text] Baku, October 5 (TURAN)—The source from Azerbaijan's Ministry of Internal Affairs told TURAN at 02.45 that situation in Yevlakh worsens. Armed persons from Agdash, Barda and Mingechaur cities arrive there and attempt to seize power.

Foreign Minister Receives Iranian, Greek Envoys

NC0510210294 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1640 GMT 5 Oct 94

[FBIS Translated Text] Foreign Minister Gasan Gasanov received (Rehamian), Iran's charge d'affaires ad interim to Azerbaijan on 4 October. (Rehamian) expressed the uneasiness of the Iranian Foreign Ministry in connection with the latest developments in Azerbaijan and spoke of the harmfulness of the destructive actions directed against the legitimate president and state structures.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Gasanov briefed (Rehamian) in detail on the existing domestic situation and said that the citizenship solidarity in the Republic will triumph over the threat of fratricide and the popular masses will support Geydar Aliyev, the legitimate president of Azerbaijan.

Azerbaijani Foreign Minister Gasanov received the Greek Ambassador to Azerbaijan Panayiotis (Karakasis) on 5 October. Gasanov briefed the ambassador in detail on the situation in the Republic. (Karakasis) assessed the people's response to the call of the Azerbaijani president as the popular support for the legitimate president and expressed the conviction that the state is in control of the situation. In the name of his government, the ambassador indicated his support for Azerbaijan's legitimate president and state structures.

Georgia

Shevardnadze Annuls Western Emergency Committee

LD0510170294 Tbilisi Radio Tbilisi Network in Georgian 1400 GMT 5 Oct 94

[FBIS Translated Text] The Georgian head of state has issued an edict on the Georgian head of state's representative and minister of state for western Georgia, which says:

The provisional committee for emergency situations in western Georgia was established in October 1993. Despite extremely difficult conditions, as a result of the committee's efforts, bodies of state power and law-enforcement have been restored, the activity of armed gangs has been thwarted, the crime situation in general has improved and the local population and displaced persons have been provided with basic social conditions. The introduction of the state of emergency and the activity of the committee have achieved their objectives.

The edict gives a positive assessment of the activity of Givi Lominadze, chairman of the provisional committee for emergency situations in western Georgia.

It also says that the with the aim of further reviving the economy, switching to new principles of management, better utilizing material resources, further strengthening law and order and coordinating the activity of local bodies, and proceeding from the interests of the republic, the provisional committee for emergency situations in the western Georgian zone is to be abolished, and the post of the head of state's representative to western Georgia is to be introduced.

Minister of State Givi Lominadze is to be appointed the Georgian head of state's representative. The territories of the minister of state's responsibility are to be Zugdidi, Senaki, Tsalenjikha, Khobi, Chkhorotsku, Martvili, Abasha and Mestia rayons and the town of Poti.

This edict will be published in the press tomorrow.

Shevardnadze Issues Edict on Human Rights

LD0510164394 Tbilisi Radio Tbilisi Network in Georgian 1400 GMT 5 Oct 94

[FBIS Translated Text] The Georgian head of state has adopted an edict on some measures for securing human rights in Georgia. The edict says: Despite the fact that protecting the universally established human rights is the main basis for building a democratic state, it has not yet been possible to establish and put in action a perfect system for securing human rights in Georgia. The atmosphere of indifference and immunity existing in various circles of leadership assists the psychological, social, economic and criminal situation existing in the republic. Unfortunately, it has not yet been possible to eradicate the instances of violence, hostage-taking, breaching human rights in places of imprisonment, ignoring interests and indifference to possibilities of the socially unprotected layer of population, superficial attitude to the citizens' appeals, their statements and complaints.

It must also be noted that Georgia has joined international pacts and the facultative protocol for citizens' political and human rights and the economic, social, and cultural rights adopted by the UN General Assembly on 16 December, 1966. This intensifies the leadership's responsibility even more.

The edict envisages taking a number of measures for protecting human rights.

The edict will be published in the press tomorrow.

Destruction of Weapons in Kodor Gorge Begins

LD0510142694 Moscow ITAR-TASS World Service in Russian 1326 GMT 5 Oct 94

[By ITAR-TASS correspondent Anatoliy Yurkin]

[FBIS Translated Text] Moscow, 5 Oct (ITAR-TASS)—In Kodori Gorge today, the search for and destruction of armored vehicles and artillery pieces has begun, the ITAR-TASS correspondent was told at the press center of the Abkhaz Supreme Soviet. Ten groups of peacekeeping forces are conducting search and reconnaissance operations in the mountains. The operation is led by the commander of the peacekeeping forces in the Georgian-Abkhazian conflict zone, Major-General Vasiliy Yakushev.

According to reports coming from Abkhazia, the operations of the peacekeeping forces provoked reaction from the Svan armed formations, who announced their readiness to wage guerrilla warfare. Some of them, according to the Staff of the Abkhaz armed forces, have left their bases and taken to the mountains. There have been no reports of clashes or hampering of the destruction of the equipment discovered.

The peacekeeping operation in Kodori Gorge will continue for not less than ten days, after which not one armed formation should be left in this strategically important area.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Estonia

Report on Foreign Minister's U.S. Meetings

WS0510094494 Tallinn ETA in English 1519 GMT 4 Oct 94

["News Release"]

[FBIS Transcribed Text] At the meeting of Estonian Foreign Minister Juri Luik who is on a visit to United States at present, and representatives of U.S. State Department on Monday [3 October], the officials affirmed that United States does not approve of influence spheres, Estonian Foreign Ministry press service informed ETA.

U.S. representatives refuted existence of a so-called Yalta-2 agreement, which has caused a lot of discussion in Estonian publicity and said U.S. foreign policy was to be evaluated according to real steps and not to information of doubtful nature published in press.

U.S. representatives, who included deputy undersecretary of U.S. State Department on Central and East European and Baltic issues Robert Frasure and head of U.S. National Security Council Eurasia Department Nicholas Burns, appreciated Estonian reform policy and affirmed their continued support to Estonia's aspirations to integrate to military, political and economic structures of the joining Europe.

Luik, who has several important meetings with U.S. officials yet ahead, is to return to Estonia on October 6.

Captain Suspects 'Bomb' Aboard Sunken Ferry

WS0410132394 Tallinn ETA in English 0759 GMT 3 Oct 94

[From 4 Oct POSTIMEES, EESTI SENUMID, pp 1,4; "News Bulletin" No. 191/94]

[FBIS Transcribed Text] A bomb may have been placed between the external and internal doors of the ferry "Estonia", Captain of the "Eminre" shipping company Lo Kollo told the POSTIMEES. Kollo, a veteran captain of 25 years experience, explained that an ordinary mishap could not have sunk the "Estonia" and the opening of the doors would have required an unusual force. Both captains of the "Estonia", Arvo Andresson and Avo Piht, had previously worked as mates under Kollo and he characterised them as highly competent.

Director of "Estline" Johannes Johanson had mentioned the possibility of the ferry having hit a wartime mine, referring to a report of mines having been found near the island of Osmussaar. But the company "Ecoman" working in Osmussaar yesterday denied the report of mines, explaining that only artillery shells had been found.

Meri Nominates 3 Candidates for Prime Minister

LD0510193394 Moscow INTERFAX in English 1704 GMT 5 Oct 94

[From the "Presidential Bulletin" feature]

[FBIS Transcribed Text] President Lennart Meri has nominated three possible candidates for the post of prime minister asking parliament to express its view on each of them, presidential spokesman Indrek Treufeldt told INTERFAX On Wednesday. They are President of the Bank of Estonia Siim Kallas, Chairman of the Coalition Party Tiit Vahi, and Parliament Speaker Ulo Nugis.

The spokesman said Meri began a second round of talks parliamentary groups so as to enlist as much support as possible for one of the three candidates he nominated.

IF Note: On September 26, Prime Minister Mart Laar was defeated in a no confidence vote leading to a simultaneous downfall of the government as provided by the Estonian constitution. The president was given two weeks or until next Monday to name a new candidate. To make things worse, the appointment will take place ahead of a new general election early in March and the mainstream parties are reluctant to take charge of what will certainly be a caretaker government.

Parties Declare Unwillingness To Work Together

LD0410133994 Tallinn Radio Tallinn Network in Estonian 1700 GMT 3 Oct 94

[FBIS Translated Text] The board of the Consolidation Party discussed the political situation in Estonia at its meeting today. The board of the Consolidation Party said that it continues to support the candidature of Tiit Vahi, the chairman of the party [and former prime minister], for the post of prime minister. The Consolidation Party could also support other right-wing candidates for the post of prime minister, but the party can under no circumstances support a coalition which includes the Fatherland [party]. It was acknowledged that although the Fatherland's right-wing and liberal political direction has been generally right—the corporate style, corruption, centralization of power, and the ignoring of local governments are seen as negative features of the Fatherland's policy.

Andrus Oovel was elected secretary-general of the Consolidation Party. The setting up a youth organization of the Consolidation Party was discussed. This was reported by the party's press service.

Coalition Party Refuses To Enter Pro Patria Government

WS0410132494 Tallinn BNS in English 1839 GMT 3 Oct 94

[FBIS Transcribed Text] Tallinn, Oct 03, BNS—The Estonian Coalition party announced Monday [3

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

October] it will not enter the next government if it is to include the Pro Patria party of outgoing Prime Minister Mart Laar.

The coalition party will not support the prime minister candidate who has the support of the Pro Patria party, the Coalition party leadership decided Monday.

The council also voted to support the party's chairman, Tiit Vahi, as candidate for the post of the prime minister.

"The Coalition party could also support other right-wing-oriented prime minister candidates, but in no case can it support a coalition that would include the Pro Patria," the party said in a statement to the press.

Latvia

President Ulmanis Receives UK's Rifkind

LD0410204994 Riga Radio Riga Network in Latvian 1800 GMT 4 Oct 94

[FBIS Translated Text] Latvian State President Guntis Ulmanis met today with Malcolm Rifkind, British secretary of state for defense, who is in Latvia on an official visit. In the talks, Rifkind recalled that Great Britain had never recognized the incorporation of Latvia into the Soviet Union and is now prepared to give political as well as practical support. Ulmanis, for his part, emphasized that Latvia has many unsolved problems in the sphere of defense, and thus noted with satisfaction Britain's assistance in the creation of the Latvian (?battalion). There was also discussion of Latvia's chances in the next few years of becoming [words indistinct] the Partnership for Peace program. Rifkind was appreciative of the plans and opportunities for developing the Latvian defense forces. He expressed sympathy for the residents of Latvia who perished in the wreck of the Estonia ferry.

Rapprochement With NATO Envisaged

LD0410135194 Riga Radio Riga Network in Latvian 1000 GMT 4 Oct 94

[FBIS Translated Text] I have at my disposal a recording which was prepared by our reporters in the morning.

A memorandum of agreement which in the future will strengthen contacts in the defense sphere between Great Britain and Latvia was signed today by Malcolm Rifkind, British Secretary of State for Defense, and Latvian Defense Minister Janis Trapans.

Addressing the British defense secretary, Mr. Trapans said that in 1918 Great Britain was the first state to recognize Latvia's statehood de facto and also rendered military assistance to Latvia in the battles of 1919.

After the signing of the memorandum, the two defense ministers answered reporters' questions. Let us listen to what Malcolm Rifkind said.

[Begin Rifkind recording in English with superimposed Latvian translation] As you have heard, the close and warm relationship between Latvia and the United Kingdom did not just begin three years ago but began many years ago at the birth of the first republic. During the years of the Soviet occupation, the United Kingdom could not agree to that fact and understandably we are glad that we can support Latvia not only politically but also practically.

Several weeks ago I was in Copenhagen. There were both ministers of the Baltic states and defense ministers of the Nordic countries and we signed a memorandum of agreement there on the Baltic battalion.

The United Kingdom has undertaken to train infantrymen for the Baltic battalion and also to teach English so that men of the Baltic battalion can carry out UN functions. And the memorandum signed this morning is also evidence that bilateral cooperation is continuing. Albeit gradually, Latvia and other Baltic states are coming closer to Europe. In addition, the Partnership for Peace program is ensuring closer cooperation with NATO and I think that with time you will definitely come closer and closer to NATO. In addition, Latvia is a member of the Western European Union. Of course, this ensures broader cooperation in the defense sphere in the framework of Europe rather than in any other.

The European Union will help Latvia to integrate even further into European security structures and ensure its defense. Then, the United Kingdom is willing to be the best friend and supporter of Latvia in helping it to draw closer, to achieve its goals. [end recording]

Foreign Minister Returns From Strasbourg Talks

LD0610084494 Riga Radio Riga Network in Latvian 0800 GMT 6 Oct 94

[FBIS Translated Text] After returning yesterday from the Strasbourg session of the Parliamentary Assembly of the Council of Europe, Latvian Foreign Minister Valdis Birkavs announced that he will do everything possible to ensure Latvia becomes a full-fledged member of the Council of Europe when attending the 2-3 February 1995 session of the ministerial committee of this organization. He added that almost all member state of the organization currently support Latvia's admission.

State Minister Janis Ritenis is staying in Strasbourg to speed up this process. He has been instructed to meet ambassadors of all the 32 member states.

Admission to Council of Europe Decided

LD0410204494 Riga Radio Riga Network in Latvian 1700 GMT 4 Oct 94

[FBIS Translated Text] At the session of the Parliamentary Assembly of the Council of Europe today, a unanimous decision was taken, in principle, to admit Latvia to

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

the Council of Europe in the near future. Andris Teikmanis, a Latvian representative (?at the session), reported this to the BNS agency by telephone from Strasbourg, where the session of the Parliamentary Assembly of the Council of Europe is taking place. However, Latvia's admission to the Council of Europe is only possible in January, at the scheduled session of the Council of Europe, as this issue is (?not on the agenda) at the current session.

Danish parliamentarian Ole Espersen, (?chairman of the commission) on Latvia and the Russian Federation, presented a review of the situation in Latvia, which was appreciative of the processes taking place in Latvia. Latvian Foreign Minister Valdis Birkavs met today with the leaders of the committees of the Council of Europe and the leaders of all the political groupings who unanimously supported Latvia's admission. The session of the Parliamentary Assembly of the Council of Europe is taking place in Strasbourg until (?7) October.

Premier Says Foreign Policy Must Change

LD0410183694 Riga Radio Riga Network in Latvian 1000 GMT 4 Oct 94

[FBIS Translated Text] Latvian Prime Minister Maris Gailis returned yesterday from an unofficial visit to Sweden. He took part there in a seminar discussing foreign policy issues.

The head of the government stated that Latvian foreign policy has changed since the moment when the Russian Army was withdrawn. The premier said Latvia now has to reformulate several things in its foreign policy. The main areas—security and others, will remain. However, it is necessary to reformulate them in the new conditions.

Lithuania

Brazauskas Opposes Russian Peacekeeping Role

LD0410203094 Moscow ITAR-TASS in English 1448 GMT 4 Oct 94

[By ITAR-TASS correspondent Vladas Burbulis]

[FBIS Transcribed Text] Vilnius October 4 TASS—President Algirdas Brazauskas of Lithuania considers the present state of Lithuanian-Russian relations and their prospects "normal".

At the same time, speaking at today's news conference devoted to results of his five-day visit to the United States, Algirdas Brazauskas said that "Lithuania does not agree with Russia's stand expressed by President Boris Yeltsin in his speech at the session of the U.N. General Assembly stating that Moscow intends to carry out some peacekeeping operations or actions and play the role of a peacemaker on territories of the former Soviet Union".

According to the Lithuanian leader, the main documents with Russia are signed and the majority of them are being implemented.

He believes the main problem now is that Russia should determine its clear stance regarding the Kaliningrad region in the light of the package of agreements including the agreement on mutual granting the most favored nation treatment in trade, signed by the premiers of the two countries in Vilnius on November 18, 1993.

"The primary problem concerns military transit and transportation of particularly dangerous cargoes through the Lithuanian territory from Russia to Kaliningrad and back. The Lithuanian Government established the rules of such shipments. Lithuania intends to sign with Russia just as with other countries, for instance with Germany and Kazakhstan, corresponding agreements envisaging that these states assume obligations to observe these rules. The right opposition is wrong to believe that such an agreement with Moscow means Lithuania is resuming a military alliance with Russia. Apparently, there is no limit to the opposition's fantasy," Algirdas Brazauskas pointed out.

President Holds Talks With UK's Rifkind

LD0510201694 Vilnius Radio Vilnius Network in Lithuanian 1700 GMT 5 Oct 94

[FBIS Translated Excerpt] Malcolm Rifkind, member of parliament of Great Britain and Minister of Defense [title as heard], has arrived on an official visit in Lithuania.

At the Antakalnis cemetery, he honored the memory of the defenders of Lithuania's freedom and laid wreaths at the graves of the victims of 13 January and Medininkai.

President Algirdas Brazauskas received British Defense Minister Malcolm Rifkind today. The meeting, which went on for one hour, was attended by Defense Minister Linas Linkevicius, Justas Paleckis, presidential adviser on foreign policy, Raimondas Rajeckas, Lithuanian ambassador in Great Britain, and Michael Peart, British ambassador in Lithuania.

The minister stressed that the fact that Lithuania is one of the first to express the wish to join the Partnership for Peace Program received a positive assessment in the West. There is no doubt in the West that Lithuania must become a full member of the united European family, he said.

Algirdas Brazauskas once more expressed Lithuania's wish to cooperate with all NATO structures and to become a NATO member. He said that the division into blocs and spheres of influence is unacceptable to Lithuania. We were among the first to react negatively to Russia's intention to become a policing state in the former Soviet republics, Algirdas Brazauskas said, and would like the great powers to speak resolutely about this.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Malcolm Rifkind agreed with the president. He said that it is not possible to allow a new iron curtain to emerge between the West and the borders of the former USSR. NATO does not intend to treat western and eastern European states differently. In his view, it would be incorrect to single out one or another country by granting it special status. The minister drew the attention of the president to a proposal to examine the issue of the Kaliningrad region within the framework of the European security and stability pact. This would provide a certain support to Lithuania in its relations with Russia.

Algirdas Brazauskas noted that Lithuania is trying to maintain good relations with its neighbors, at the same time bearing in mind the development of events in Europe and in the whole world. He described to the guest the arrangements for transporting military and dangerous cargoes through the territory of Lithuania which has been provided for in regulations drawn up by the government. He expressed his gratitude to British Prime Minister John Major who supports an agreement with Russia, prepared by Lithuania, on military transit, and to the experts of Great Britain for their advice on the preparation of regulations. [passage omitted]

Defense Cooperation Memorandum Signed

LD0510170394 Vilnius Radio Vilnius Network in Russian 1300 GMT 5 Oct 94

[FBIS Translated Text] A memorandum on mutual understanding and cooperation on defense issues with the Defense Ministry of Great Britain and Northern Ireland was signed today at the Lithuanian Defense Ministry.

The memorandum was signed by Lithuanian Defense Minister Linas Linkevicius and by Malcolm Rifkind, Defense minister of Great Britain, who is on an official visit in the Baltic states.

Cooperation between the military departments of Lithuania and Great Britain started in 1992. Individual units of the Lithuanian Army have been visited by experts of the British Defense Ministry and representatives of the Lithuanian Defense Ministry have been undergoing training in Britain.

The British ministry supported the participation of the Lithuanian Navy in international exercises last summer. Currently, instructors from Great Britain are teaching English to officers and NCOs who will command the Baltic peacekeeping battalion which is being formed.

Malcolm Rifkind met President Algirdas Brazauskas and Foreign Minister Povilas Gylys today.

Premier Departs for 5-Day Visit To Israel

LD0110161294 Moscow ITAR-TASS in English 1504 GMT 1 Oct 94

[By ITAR-TASS correspondent Vladas Burbulis]

[FBIS Transcribed Text] Vilnius October 1 TASS—Lithuanian Prime Minister Adolfas Slezevicius left for a five-day visit to Israel on Saturday [1 October] in an attempt to "open a new page" in the history of bilateral relations.

During the visit Slezevicius will meet with the Israeli president, the prime minister, the parliament chairman and representatives of the Israeli business community. The sides are expected to sign an agreement on cultural cooperation between the two countries.

Meeting journalists on the eve of his departure, the Lithuanian premier said Lithuania "is ready to expand ties in the economic, political and cultural spheres and plans to open an embassy" in Israel in the near future.

He stressed that the question of Jewish genocide in Lithuania during World War Two will also be discussed in Israel.

"Recently, on behalf of the Lithuanian people I apologized to the Jewish people for the sufferings they were subjected to during the Nazi occupation and for the fact that there were people among Lithuanians who helped the Nazis to exterminate Jews," Slezevicius said.

"I will inform the Israeli Government and public that 200 people who were involved in killing Jews have been sentenced to death in Lithuania. At the same time, we are proud for our compatriots who, despite the danger and risk to their lives, hid Jewish people from the Nazis," he said.

Slezevicius's parents also saved several Jews during the war. The Nazis killed over 200,000 Jews in Lithuania during the occupation years.

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government. Users of this publication may cite FBIS or JPRS provided they do so in a manner clearly identifying them as the secondary source.

Foreign Broadcast Information Service (FBIS) and Joint Publications Research Service (JPRS) publications contain political, military, economic, environmental, and sociological news, commentary, and other information, as well as scientific and technical data and reports. All information has been obtained from foreign radio and television broadcasts, news agency transmissions, newspapers, books, and periodicals. Items generally are processed from the first or best available sources. It should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign language sources are translated; those from English-language sources are transcribed. Except for excluding certain diacritics, FBIS renders personal names and place-names in accordance with the romanization systems approved for U.S. Government publications by the U.S. Board of Geographic Names.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by FBIS/JPRS. Processing indicators such as [Text] or [Excerpts] in the first line of each item indicate how the information was processed from the original. Unfamiliar names rendered phonetically are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear from the original source but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source. Passages in boldface or italics are as published.

SUBSCRIPTION/PROCUREMENT INFORMATION

The FBIS DAILY REPORT contains current news and information and is published Monday through Friday in eight volumes: China, East Europe, Central Eurasia, East Asia, Near East & South Asia, Sub-Saharan Africa, Latin America, and West Europe. Supplements to the DAILY REPORTs may also be available periodically and will be distributed to regular DAILY REPORT subscribers. JPRS publications, which include approximately 50 regional, worldwide, and topical reports, generally contain less time-sensitive information and are published periodically.

Current DAILY REPORTs and JPRS publications are listed in *Government Reports Announcements* issued semimonthly by the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161 and the *Monthly Catalog of U.S. Government Publications* issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

The public may subscribe to either hardcover or microfiche versions of the DAILY REPORTs and JPRS publications through NTIS at the above address or by calling (703) 487-4630. Subscription rates will be provided by NTIS upon request. Subscriptions are available outside the United States from NTIS or appointed foreign dealers. New subscribers should expect a 30-day delay in receipt of the first issue.

U.S. Government offices may obtain subscriptions to the DAILY REPORTs or JPRS publications (hardcover or microfiche) at no charge through their sponsoring organizations. For additional information or assistance, call FBIS, (202) 338-6735,or write to P.O. Box 2604, Washington, D.C. 20013. Department of Defense consumers are required to submit requests through appropriate command validation channels to DIA, RTS-2C, Washington, D.C. 20301. (Telephone: (202) 373-3771, Autovon: 243-3771.)

Back issues or single copies of the DAILY REPORTs and JPRS publications are not available. Both the DAILY REPORTs and the JPRS publications are on file for public reference at the Library of Congress and at many Federal Depository Libraries. Reference copies may also be seen at many public and university libraries throughout the United States.